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FBIS-EAS-90-115 — CONTENTS — 14 June 1990

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Former Envoy to U.S. on Market Liberalization *[KYODO]* 1
Shorter Customs Clearance Measures Scheduled *[KYODO]* 1
Ministry Official Hints at Extra SII Talks *[KYODO]* 1
Biennial SII Monitor Meetings To Be Proposed *[KYODO]* 1
Kanemaru Views U.S. Request on Public Works *[KYODO]* 1
Specifying Targets in Public Spending Considered *[KYODO]* 2
Kaifu Refuses To Clarify Public Spending Figure *[KYODO]* 2
Construction Ministry Announces Works Projects *[KYODO]* 3
MITI Considers Revolving Credit Service *[KYODO]* 3
Satellite Trade Accord With U.S. Initialled *[KYODO]* 3
Inspection Exempted for Some U.S. Food Imports *[KYODO]* 3
Bid for Change in U.S. Rice Policy Rejected *[KYODO]* 4
Kaifu To Ask U.S. Understanding on China Loans *[Tokyo TV]* 4
Nakayama: PRC Must Do More To Justify Loans *[KYODO]* 4
Firm Establishes Ties With PRC Counterpart *[KYODO]* 5
Interest in Possible No Visit to PRC Reported *[KYODO]* 5
ROK's No Tae-u Aide Suggests Closer Contact *[KYODO]* 5
Hijackers Said To Desire Return From DPRK *[KYODO]* 6
Fishermen's Leader Disputes Soviet Allegations *[KYODO]* 6
Relief Aid Offered for Chernobyl Aftermath *[KYODO]* 6
USSR To Sign Petrochemical Project Contract *[KYODO]* 7
Firm Receives Letter of Credit From Lithuania *[KYODO]* 7
Government To Offer Mexico Billion-Dollar Loan *[KYODO]* 7
Fukuoka Loss Seen as Blow to Kaifu Leadership *[KYODO]* 8
Defense Chief Briefs LDP Officials on FY '91 *[KYODO]* 8
Hashimoto Denies Derogatory Sexist Remarks *[KYODO]* 8
Major Corporations Improve Financial Structures *[KYODO]* 9
Hitachi Reports Development of 64-Megabit DRAM *[KYODO]* 9
Initiative Urged for Expanded Use of New Energy *[KYODO]* 10
White Paper Urges Greater Traffic Safety *[KYODO]* 10
New Linear Motor Train Project Begins *[KYODO]* 10

Mongolia

Gungaadorj Outlines Ways To Improve Economy *[Ulaanbaatar International]* 11
First Cooperative Bank Established *[Ulaanbaatar International]* 11

North Korea

Chonminnyon on U.S. 'Responsibility' for Kwangju *[KCNA]* 12
Appeal Marks 'Anti-U.S. Joint Struggle' Month *[KCNA]* 12
'Analyst' Denounces Japanese Arms Buildup *[KCNA]* 12
More Reportage on Burkinabe Delegation's Visit 12
    Kim Il-song Receives Delegation *[KCNA]* 12
    Delegation Concludes Visit *[KCNA]* 13
Dailies Mark Che Guevara's Birthday *[KCNA]* 13
Papers Mark Anniversary of Ties With Maldives *[KCNA]* 13

Chonminnyon Letter Read at West Berlin Talks *[KCNA]* 14
Koreans in Japan Support North's 5-Point Policy *[KCNA]* 14
HANGYORE SINMUN Quoted on Poll Results *[KCNA]* 15
'Analyst' on No's 'Constitutional Amendment' *[KCNA]* 15
Dailies Assail Verdicts Against Priest, Student *[KCNA]* 15
NODONG SINMUN Article Quotes Kim Il-song *[KCNA]* 16
Article Views North's 'Unconquerable' Socialism *[KCNA]* 16
Editorial Urges Intensifying Education in Pride *[KCNA]* 17

South Korea

No Tae-u's Visit to United States Analyzed *[CHOSON ILBO 8 Jun]* 18
No Urges 'Control' of Emotions After Summit *[THE KOREA TIMES 13 Jun]* 19
Scholar Welcomes Results of Soviet Summit Talks *[TONG-A ILBO 6 Jun]* 20
Soviet Official Gives Interview on Relations *[CHOSON ILBO 9 Jun]* 21
North's Rejection Dampens Reunification Hopes *[YONHAP]* 22
Paper Criticizes PRC Proposal, Calls for Ties *[HANGUK ILBO 12 Jun]* 23
U.S. Institutes Agree To Exchanges With North *[HANGUK ILBO 12 Jun]* 23
U.S. Pressure on ROK-SRV Ties Assailed *[HANGYORE SINMUN 14 Jun]* 24
Lucky, U.S. Company Venture in USSR Reported *[YONHAP]* 24
Analysts Urge Caution in Trade With USSR *[THE KOREA HERALD 13 Jun]* 25
Bank Reports on Investing in USSR, East Bloc *[THE KOREA HERALD 12 Jun]* 25
Samsung Admits Soviet Deal Violates Cocom *[THE KOREA TIMES 12 Jun]* 26
Embassies Open in Bulgaria, Romania, CSFR *[YONHAP]* 26
728 Athletes, Officials To Attend Beijing Asiad *[THE KOREA HERALD 13 Jun]* 26
Soviet Koreans To File Claims Against Japan *[THE KOREA HERALD 12 Jun]* 27
New Commander Promises Stronger Ground Forces *[THE KOREA TIMES 12 Jun]* 27
Korean Air, Boeing Make 'Biggest Plane Deal' *[THE KOREA TIMES 12 Jun]* 27

SOUTHEAST ASIA

Burma

BBC Interviews NLD Spokesman U Kyi Maung *[London International]* 28
U Kyi Maung Rejects Rumors of Rifts in NLD *[AFP]* 29
Khun Sa Reportedly Ready To Talk With Rangoon *[Bangkok THE NATION 13 Jun]* 29

Brunei, Malaysia & Singapore

Malaysia

Pact Signed With Thailand on Mineral Resources *[BERNAMA]* 30
Tun Hussein Onn Dies; Mahathir Makes Statement *[Kuala Lumpur International]* 30

Cambodia

Officials Arrested, Suspected of Forming Party *[KYODO]* 31
Dumas Says France Happy With Tokyo Agreement *[SPK]* 31
Ranariddh Discusses Outcome of Tokyo Talks *[Radio VOK]* 31
VONADK Previews Phnom Penh Regime's Fall 33
Khieu Samphan Greets Philippine's Manglapus *[Radio VONADK]* 33

Indonesia

Border Stability With Papua New Guinea Pledged *[Jakarta Radio]* 33
Minister Urges OPEC Members To Uphold Quota *[ANTARA]* 34
Armed Forces Chief Commissions New Frigate *[Jakarta Radio]* 34

Laos

Phoumi Vongvichit Discusses Policy on Buddhism *[Vientiane Radio]* 34

Kithong Vongsai Points to Restructuring Efforts *[KPL]* 35
UNDP Issues Press Releases on Aid Programs *[KPL]* 35
Trade Union Delegation Departs 8 Jun for PRC *[KPL]* 36

Philippines

Bases Council Works Toward Conversion of Bases 36
    Joint Use of Clark, Subic Proposed *[Quezon City Radio-TV]* 36
    Seeks Access to U.S. Bases *[THE MANILA CHRONICLE 14 Jun]* 36
Manglapus Views Bases Talks, Other Issues *[Manila Radio]* 37
Unidentified Official Views August Bases Talks *[MALAYA 11 Jun]* 37
Charges Filed Against Suspected Kidnappers *[KYODO]* 37
Salonga Calls on Katipunan To Bare Objectives *[Manila Radio]* 38
Ramos News Conference on Kabisig, Aquinaldo *[Quezon City Radio]* 38
NDF Spokesman Says Aquino Movement Will Fail *[Manila Radio]* 40
Trade Secretary Said Facing Replacement *[BUSINESS STAR 12 Jun]* 41
De Villa Says Security Situation 'Normal' *[THE MANILA CHRONICLE 13 Jun]* 42
Navy Readies Tactical Unit for Emergency *[Quezon City Radio]* 42
Tighter Security Imposed at Camp Crame Stockade *[Quezon City Radio]* 42
De Villa Claims Honasan in Manila Area *[Manila Radio]* 43
Military Offers Cash Rewards for Rebel Arrests *[Manila Radio]* 43
Noble Reportedly Signs Pact With MNLF *[PHILIPPINE DAILY GLOBE 13 Jun]* 44
Further on Reported MNLF-Dimaporo Alliance *[PHILIPPINE DAILY GLOBE 7 Jun]* 44

Thailand

Correspondent Previews Chatchai's U.S. Visit *[BANGKOK POST 11 Jun]* 45
Trade Issue Will Not 'Disrupt' U.S. Relations *[MATICHON 14 Jun]* 46
Khun Sa Offers To Help U.S. End Heroin Trade *[BANGKOK POST 14 Jun]* 46
Possible Meeting With PRC, SRV on Cambodia *[THE NATION 14 Jun]* 47
Minister Rejects Military Call for Reform *[THE NATION 14 Jun]* 47
Paper Assesses 'Loser' After 11 Jun Events *[THE NATION 12 Jun]* 48
Further Commentary on Chawalit Resignation *[SIAM RAT, etc]* 49
Editorial Looks at 'Pseudo-Democracy' *[THE NATION 14 Jun]* 50
South Tense After Killing of 'Shiite Activist' *[BANGKOK POST 11 Jun]* 51
Sunthon Says Kruze Rallies Definitely Banned *[Bangkok TV]* 52

Vietnam

Radio Reports 'Unofficial' Meeting With PRC *[Hanoi Radio]* 52
Australian Trade Delegation Arrives 13 Jun *[VNA]* 52
National Assembly 7th Session Opens 14 Jun 52
    Delegates Prepare *[Hanoi Radio]* 52
    News Conference Held *[Hanoi Radio]* 53
    Officials Give Reports *[Hanoi Radio]* 53
General Analyzes Important Role of Army Cadres *[QUAN DOI NHAN DAN 15 May]* 53

AUSTRALASIA

Australia

Hawke Puts Time Limit on Chinese Students' Stay *[AFP]* 58
Government Extends Defense Force Chief's Term *[Melbourne International]* 58

Fiji

Minister Will Not Tolerate Economic 'Sabotage' *[AFP]* 58

New Zealand

Government Sells Telecom for $2.46 Billion *[AFP]* 59

Papua New Guinea

Bougainville Talks Postponed Until 'Next Week' *[AFP]* 59

Japan

Former Envoy to U.S. on Market Liberalization

OW0706225590 Tokyo KYODO in English 0941 GMT 7 Jun 90

[Text] Nagoya, June 7 (KYODO)—Japan "says 'no' too much," former Japanese Ambassador to the United States Nobuo Matsunaga said here Thursday, and called for further efforts at market liberalization. Matsunaga used the phrase, an allusion to the title of the controversial book on Japan-U.S. relations, "The Japan That Can Say 'No,"' in an address to a forum in this central Japan city on the necessity of fair competition in a democratic society.

Comments by conservative legislator Shintaro Ishihara in the book "The Japan That Can Say 'No'," set off a storm of criticism in the U.S. last year. Ishihara co-authored the book with Akio Morita, chairman of Sony Corp.

The time has come to reform the nation's image abroad, and the country's persistent trade surplus acts as a lightning rod for anti-Japanese feeling abroad, Matsunaga said.

The former envoy, now an adviser to the Foreign Ministry, also took up the contentious issue of opening Japan's rice market.

"We've rejected liberalizing rice trade, arguing its place in our culture, but while the U.S. is called a 'car culture' it freely lets in Japanese automobiles," he said.

Shorter Customs Clearance Measures Scheduled

OW0806003790 Tokyo KYODO in English 1454 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—The government will unveil measures to speed up Japan's customs clearance at Japan-U.S. talks in Washington scheduled for Tuesday and Wednesday, government sources said Thursday. Japan's customs clearance system has been singled out by the United States as one of barriers to foreign trade at bilateral trade talks, known as the structural impediments initiative (SII).

As part of its policies to boost imports, the government has pledged to reduce the time needed for customs clearance procedures to less than 24 hours from about three days at present. At the talks, Japan will propose introduction of a prior declaration system for import cargoes, in which document examination is conducted as much as possible before the cargoes arrive in Japan, and a simultaneous checkup system, in which various inspection procedures will be started all at once upon the arrival of cargoes.

The Japanese proposals, if found acceptable by the United States, are expected to be included in a final report on the SII talks, due to be completed by July.

Ministry Official Hints at Extra SII Talks

OW0806080090 Tokyo KYODO in English 0548 GMT 8 Jun 90

[Text] Tokyo, June 8 (KYODO)—A high-ranking Foreign Ministry official indicated Friday the possibility of holding an additional round of talks with the United States on the Structural Impediments Initiative (SII) after the planned "final" round of such talks in Tokyo on June 25 and 26. The additional talks could be held if the final session fails to break an impasse over public works spending.

The top official, speaking on condition of anonymity, said if the impasse remains, the additional bilateral talks would be needed before the meeting between Prime Minister Toshiki Kaifu and President George Bush planned for shortly before the start of the annual seven-nation economic summit in Houston, Texas, being held from July 9 to 11.

The year-long SII, which is aimed at removing structural impediments to trade and investment in both countries, is due to be completed in July. The two countries so far have remained split over a U.S. demand that Japan specify the amount of planned public works spending in terms of a percentage of its Gross National Product (GNP).

In unofficial talks in Hawaii in late May, the U.S. side urged Japan to boost its public outlays to 9 percent of its GNP over a five-year period, compared with 6.7 percent in 1988. Japan has rejected the proposal.

Biennial SII Monitor Meetings To Be Proposed

OW1406065190 Tokyo KYODO in English 0631 GMT 14 Jun 90

[Text] Tokyo, June 14 KYODO—Japan will propose biennial follow-up meetings to the United States to monitor progress once the ongoing bilateral Structural Impediments Initiative (SII) trade talks are completed in July, a Japanese government source said Thursday. The plan may meet with some U.S. resistance, however, because the U.S. reportedly wants to check market-opening measures agreed upon under SII four times a year, the source indicated.

The two countries are scheduled to hold the final round of SII talks in Tokyo on June 25 and 26 to finalize a report on the talks, aimed at eliminating barriers to trade and investment in the two countries. An interim report was issued in April.

Kanemaru Views U.S. Request on Public Works

OW0906003190 Tokyo KYODO in English 1428 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—Former Deputy Prime Minister Shin Kanemaru said Friday it is difficult for Japan to accept an earlier U.S. request to increase its annual public works investment to 10 percent of its gross national product (GNP) but indicated 8 percent would be "appropriate."

Speaking at a meeting in Chiba Prefecture, east of Tokyo, Kanemaru said, "I instructed the Construction Ministry to ask the U.S. Government if they could agree to a total public works investment plan of 500 trillion yen." He added, "The government should not be tight on public investment as the public works will remain for the people."

The veteran politician told the meeting that the Construction Ministry estimates that an investment ratio of 8 percent of Japan's GNP over the next 10 years will amount to 500 trillion yen. Japan's public works investment has been a major issue in the structural impediments initiative (SII) talks beween Japan and the United States.

Japan agreed in an interim report on SII results, announced in April, that it would start formulating a new comprehensive plan for public works investment for the next 10 years and specify the aggregate amount of expenditure expected during the period. Spending on public works under the new 10-year investment program was estimated earlier at 400 trillion yen, an increase of 50 percent over the figure for the past 10 years.

During unofficial talks in Hawaii on May 23-24, the United States called on Japan to boost its public works spending to 9 percent of its GNP over a five-year period, up from 6.7 percent in 1988.

Japan and the United States are scheduled to hold the next round of SII talks in Tokyo on June 25-26 to work out a final report. The SII talks are aimed at eliminating structural barriers to trade and investment.

Specifying Targets in Public Spending Considered

OW0906023390 Tokyo KYODO in English 0215 GMT 9 Jun 90

[Text] Tokyo, June 9 KYODO—The government is considering specifying levels to be achieved under various 10-year public investment programs in a final report Japan will prepare with the United States on the structural impediments initiative (SII), government sources said Saturday.

Makoto Utsumi, vice finance minister for international affairs, will discuss details of the plan with U.S. officials when he visits Washington next week, the sources said. Utsumi leaves for Washington on Tuesday to join his counterparts from six other industrial nations in preparing for their annual economic summit in Houston, Texas, in July.

The U.S. is urging Japan to step up public spending to help boost domestic demand, increase imports, and reduce the bilateral trade imbalance in the yearlong SII talks aimed at eliminating barriers to trade and investment in the two countries.

Under the plan, the government will seek to expand the sewerage network to cover 70 percent of the nation compared with slightly more than 40 percent at present, increase urban park space to 10 square meters per capita from the current 6 square meters, and boost residential space to an average 100 square meters per home from around 90 square meters. These and other public investment projects are to start in fiscal 1991, beginning next April 1.

The U.S. is demanding that Japan promise to raise total spending under the public investment programs to 9 percent of its gross national product (GNP) over a period of five years and to 10 percent in 10 years. But Japan has refused to set such a specific target and is considering specifying only achievement goals as well as the total sum of investment.

The two nations are scheduled to meet in Tokyo on June 25 and 26 to write a final SII report. An interim report was produced in April.

Kaifu Refuses To Clarify Public Spending Figure

OW0906084190 Tokyo KYODO in English 0640 GMT 9 Jun 90

[Text] Fukuoka, June 9 KYODO—Prime Minister Toshiki Kaifu reiterated Saturday Japan would not accept a U.S. request it clarify its ratio of public works spending to gross national product (GNP). The United States wants the figure spelled out in the coming final report on the Structural Impediments Initiative (SII) talks, aimed at removing structural barriers to trade and investment.

Kaifu told reporters Japan and the U.S. agreed in the SII interim report in April that public spending figures would be specified by the aggregate amount of expenditure during the next 10 years to show the government's willingness to meet the U.S. request.

Kaifu was here to join the final campaign rally for his ruling Liberal Democratic Party candidate for a House of Councillors by-election Sunday.

He noted public works spending is decided according to the prevailing circumstances at the time and that it is difficult to predict Japan's GNP 10 years from now. Kaifu revealed Japan informed the U.S. in detail of the government policy to map out a 10-year plan for 15 public projects at the time of making the interim SII report. He also said Japan told the U.S. it would place greater emphasis on the public expenditure issue.

Japan and the United States are preparing for the final document to be agreed on at a bilateral official meeting scheduled for June 25 and 26 in Tokyo.

However, Kaifu said: "We are making efforts to compile it before the Houston summit of seven major economic powers on July 9-11. [single quotation mark as received] The comment suggests a possible delay until the last minute before his talks with President George Bush shortly before the Houston summit.

On the reported comment of a senior U.S. Government official that Japan is not sincere in its efforts to work on the final report, Kaifu stressed the need for reasoned dialogue. The prime minister said he would prefer direct contact with the official in question "so that we can share a common awareness by conveying that we are sincerely making efforts."

Construction Ministry Announces Works Projects

OW1106102190 Tokyo KYODO in English 0928 GMT 11 Jun 90

[Text] Tokyo, June 11 KYODO—The Construction Ministry announced Monday 22 public works projects to begin in the current fiscal year, some of which are likely to be awarded to foreign builders. The move is in line with Japan's agreement with the United States to give foreigners greater access to its construction market, which Washington charges is closed to foreign competitors.

Under the agreement, would-be bidders are given 40 days to place tenders, four times longer than usual, a special measure intended to allow foreign companies to study the construction system in Japan. The 22 projects, all of which exceed 700 million yen in total costs, include a bridge linking Shikoku Island to the mainland Honshu, a bridge across Tokyo Bay, and an elevated bridge along the bay area.

MITI Considers Revolving Credit Service

OW1306141990 Tokyo KYODO in English 1157 GMT 13 Jun 90

[Text] Tokyo, June 13 KYODO—Yielding to United States pressure, the Ministry of International Trade and Industry (MITI) said Wednesday it plans to permit bank-affiliated credit card firms to provide revolving credit possibly in 1992. MITI officials said the government will present the new measure to the United States in a final report on the Structural Impediments Initiative, bilateral talks aimed at eliminating structural barriers to trade and investment.

Japanese and U.S. officials will meet in Tokyo on June 25-26 to hammer out the final report. Washington has been urging Tokyo to lift a ban on revolving credit services for card companies owned by banks to help spur consumer spending and lower Japan's high savings rate.

Revolving credit allows consumers to purchase goods and services with monthly payments of less than the full amount due within an unspecified period of time. But the amount itself is preset. But the officials said they will continue to keep such credit firms from offering installement-payment credit, which unlike revolving credit requires a specified period of time to pay in installments for purchases of goods and services.

Satellite Trade Accord With U.S. Initialled

OW0806063190 Tokyo KYODO in English 0529 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—Japan and the United States initialed an agreement Friday to make it easier for U.S. companies to supply Japan's satellite market, putting an end to one of the thorniest bilateral trade issues, Japanese officials said. Under the agreement, Japan will permit U.S. makers of communications satellite vendors to bid for orders from both public agencies and private companies on an equal footing with Japanese companies, the officials said.

To that end, the Government and public agencies will make public in official gazettes their plans to purchase satellites to help keep potential bidders informed of such projects, they said. Also, the accord makes a distinction between research satellites and commercial satellites, reflecting Japan's wish to develop its projected research satellites on its own.

The agreement came after 11 months of negotiations held under the threat of economic sanctions by the U.S. against Japan under the Super 301 provisions of the 1988 U.S. Trade Act.

Trade in satellites was one of the three areas cited by the U.S. for possible trade sanctions against Japan under the legislation. Tokyo and Washington reached a basic agreement on satellite trade last April, leaving details to be resolved.

Agreements on two other areas, supercomputers and wood products, have also been reached in principle.

Inspection Exempted for Some U.S. Food Imports

OW0906034290 Tokyo KYODO in English 0300 GMT 9 Jun 90

[Text] Tokyo, June 9 KYODO—The Health and Welfare Ministry will exempt food imports from the U.S. from quarantine inspection if processed at plants meeting Japanese food safety standards, ministry officials said Saturday. The move is a response to U.S. calls for speeding up food import procedures, which now take as long as two days.

The ministry will propose the new system at bilateral a working-level meeting slated for next week in Washington, the officials said. The ministry plans to expand the scope of the system to cover imports from other industrial countries as well in the future.

The new food import system, which the ministry hopes to introduce in the next fiscal year beginning in April, covers processed foods like canned foods, soft drinks, and confectionery as well as frozen foods, but not perishables, according to the officials.

Both governments will establish standards on raw materials, processing methods, and health control as criteria for selecting the plants which qualify under the scheme.

The U.S. will select qualifying plants and Japanese health ministry officials will inspect them to endorse the enlistment.

The system is expected to shorten the time for admitting food imports into Japan to within 24 hours as suggested in an interim report issued in April concerning the ongoing structural impediments initiative (SII) talks with the U.S. Currently, food imports are handled by only 89 food health inspectors at 22 quarantine stations nationwide mainly through random inspection.

Japan imported 22 million metric tons of food in 1988, up about 20 percent from the previous year.

The system will not only speed up procedures but ensure better food safety standards for imports since it will allow Japan to monitor products at the manufacturing phase, the officials said.

Bid for Change in U.S. Rice Policy Rejected

OW1406004690 Tokyo KYODO in English 2352 GMT 13 Jun 90

[Text] Washington, June 13 KYODO—U.S. Agriculture Secretary Clayton Yeutter told a group of Japanese Diet members on Wednesday that he rejects Japanese argument that it needs to continue its ban on rice imports. Yeutter repeated the U.S. call for a gradual liberalization of the Japanese rice market in a 65-minute meeting with the group of five members of the ruling Liberal Democratic Party [LDP].

Michihiko Kano, a former agriculture minister who led the delegation, told reporters after the meeting that they and Yeutter were apart over the rice issue. He quoted Yeutter as telling the Japanese group that the Uruguay Round of Multilateral Trade Talks cannot be concluded without a resolution of the rice question. The Uruguay Round is scheduled for completion in December after four years of negotiations.

The LDP group is in Washington to assess the U.S. stand on Japan's agriculture policy ahead of a crucial meeting of the trade negotiations committee on liberalizing markets in agriculture and other sectors under the auspices of the General Agreement on Tariffs and Trade (GATT) in July.

Yeutter, a former U.S. trade representative, was recently incensed at remarks by Japanese Agriculture, Forestry, and Fisheries Minister Tomio Yamamoto that he was meddling in Japan's domestic affairs by calling for the opening of the rice market.

Kano said Yeutter did not mention Yamamoto's remark in his meeting with the Japanese lawmakers. Deputy U.S. Trade Representative Julius Katz pressed Japan to open up its rice market in a separate meeting with the Kano delegation on Tuesday.

Kano and his fellow LDP lawmakers also met with Rep. Kika de la Garza, chairman of the House Agriculture Committee, Sen. John Breaux from the rice-growing state of Louisiana, and Rep. Sam Gibbons, chairman of the House International Trade Subcommittee, as well as leaders of the U.S. Rice Millers' Association from Monday through Wednesday. Garza and Gibbons expressed understanding of the importance of rice in Japanese society, Kano said at the news conference.

The LDP delegation will visit Chicago and Sacramemto before returning home.

Kaifu To Ask U.S. Understanding on China Loans

OW1306155090 Tokyo NHK General Television Network in Japanese 1000 GMT 13 Jun 90

[Text] Prime Minister Kaifu said today that he will convey Japan's desire to resume yen-based loans to China, which have been frozen since the Tiananmen Square incident, as soon as possible, and to seek the U.S. side's understanding when he meets with U.S. President Bush. Prime Minister Kaifu will meet with President Bush on 8 July, prior to the Houston summit [of the seven major industrialized nations].

Prime Minister Kaifu disclosed this plan at his meeting with reporters this afternoon. In connection with his meeting with President Bush, which will be held in Houston on 8 July prior to the summit, Mr. Kaifu said: I would like to exchange views on the issue of yen-based loans to China. The U.S. side may have its own opinion. However, I myself want to discuss many things.

Thus, the prime minister disclosed that he will convey Japan's desire to remove the freeze on the third yen-based loans to China as soon as possible to prevent China from becoming isolated in the international community, and to seek the understanding of the U.S., which has been taking a prudent posture toward the removal of that sanction.

Nakayama: PRC Must Do More To Justify Loans

OW1406131990 Tokyo KYODO in English 1301 GMT 14 Jun 90

[Text] Tokyo, June 14 KYODO—Foreign Minister Taro Nakayama hinted Thursday that the situation in China is still not conducive to a resumption of new Japanese loans. Nakayama made the indication in a press conference held prior to his departure for a meeting in San Francisco on Friday with U.S. Secretary of State James Baker.

Asked if Japan plans to push its Western partners at the seven-nation Houston summit in early July to acquiesce to a resumption of an 810 billion yen loan package committed to China, Nakayama responded that Japan's position on the loan issue "remains the same as it has been."

He said Japan wants to see China make "active efforts" to allow for greater democratization and create an atmosphere conducive to dialogue with countries of the West.

Nakayama added that the current environment with respect to those points still does not meet Japan's satisfaction.

The foreign minister said he will emphasize in his meeting with Baker that Japan does not want to see China isolated from international society in the aftermath of the June 1989 military crackdown on the pro-democracy demonstrators in Beijing's Tiananmen Square.

On the Soviet Union, Nakayama said he and Baker will likely exchange opinions on the outcome of the recent U.S.-Soviet summit meeting, perestroyka, ethnic conflicts in the Soviet Union, and Soviet policy toward the Asia-Pacific region.

Referring to recent contacts in Beijing between the U.S. and North Korean diplomats, Nakayama said he will be interested in hearing the current U.S. policy on the subject of facilitating political stability on the Korean peninsula.

Firm Establishes Ties With PRC Counterpart

OW0806004190 Tokyo KYODO in English 1302 GMT 7 Jun 90

[Text] Nagoya, June 7 KYODO—The Bank of Nagoya Ltd. said Thursday one of its customers, Mitsuwa Sewing Co., and a Chinese sewing company have established a joint venture, with the bank serving as a go-between.

Mitsuwa, based in Seki, Gifu Prefecture, will own 46 percent of the 700,000-dollar Nantong Sanyou Fashion Co., in Nantong, Jiangsu Province. The remaining 54 percent will go to Nantong Friendship Clothing Factory, the bank said.

The tie-up will begin operations on June 10, with 131 employees, to manufacture both men's and women's wear, all of which are to be exported to Japan.

Interest in Possible No Visit to PRC Reported

OW0706142690 Tokyo KYODO in English 1317 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—Japan is greatly interested in South Korean press reports that President No Tae-u may visit China on the occasion of the Beijing Asian Games in September, a top-level Foreign Ministry official said Thursday. The official, speaking on condition of anonymity, said an improvement in South Korea-China ties will exert a major impact on the security of the Korean peninsula.

However, he said that Japan has no information about such a trip by No to Beijing, as reported by Seoul's YONHAP NEWS AGENCY.

President No's special envoy Kim Chong-hui, who arrived in Tokyo earlier on Thursday, will brief Japanese Government officials on Friday about No's meetings with Soviet President Mikhail Gorbachev in San Fancisco and with U.S. President George Bush in Washington earlier this week, the official said.

Japanese officials hope to receive detailed briefings from Kim about how South Korea will promote its policy toward China.

ROK's No Tae-u Aide Suggests Closer Contact

OW0806120690 Tokyo KYODO in English 081121 GMT 8 Jun 90

[Text] Tokyo, June 8 (KYODO)—A top aide to South Korean President No Tae-u told Prime Minister Toshiki Kaifu Friday that the two countries need to strengthen consultation as Asia enters a period of change, a Foreign Ministry official said.

"The situation in Asia has not changed as much as that in Europe, but the groundwork for change is laid," Kim Chong-hui, No's adviser for national security and foreign affairs, was quoted as saying. "It is necessary to maintain closer communication," the official cited Kim as saying.

Kim is here to inform Japan of the unprecedented meeting Monday between No and Soviet President Mikhail Gorbachev and a subsequent summit No had with U.S. President George Bush.

He described the meeting with Gorbachev as a frank exchange of opinions conducted in a friendly atmosphere, the official said. Kim, briefing Foreign Minister Taro Nakayama in an earlier meeting, said that No told Gorbachev it is important to bring "reform and openness" to Northeast Asia. No also reportedly stressed in the meeting that North Korea must not be isolated.

The Soviet Union is North Korea's major trading party and supplier of arms.

Kim later told Kaifu that Bush offered his support for South Korea's "northern policy," which has lead to establishment of diplomatic relations with many East European nations. It may soon also lead to formal diplomatic relations with the Soviet Union.

Kaifu, quoting No's comment during a recent visit here on the importance of overcoming ugly memories of Japan's harsh 1910-1945 colonial rule of Korea, said that it is important to be "close partners that are actually close."

Kaifu told Kim he hopes to hold consultations with related countries to promote peace and stability on the Korean peninsula. "Our two countries should continue to maintain communication," Kaifu was quoted saying.

Hijackers Said To Desire Return From DPRK

OW0806011890 Tokyo KYODO in English 1450 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—Seven Japanese leftist radicals who hijacked an airliner to North Korea in 1970 have formed a new magazine and indicated their desire to return to Japan from exile there, informed sources said Thursday.

The Japanese security police are keenly interested in the new development, led by Japanese Red Army member Takamaro Tamiya, 47, in what appears to be the radicals' latest signal of their hope for a homecoming, the sources said. One of the original group of nine hijackers, Yasuhiro Shibata, 37, was arrested in Japan in 1988 after secretly returning home.

The sources told KYODO NEWS SERVICE that Tamiya's seven-member group has recently sent letters to Japanese supporters saying that on May 6 this year, the second anniversary of Shibata's arrest, they formed a new magazine by changing the name and policy of their former one.

They pledged to be more "ideological" in the new magazine, called "JISHU TO DANKETSU (AUTONOMY AND SOLIDARITY)," which will be circulated twice a year after being printed in North Korea, the sources said. Tamiya started the former magazine "NIHON O KANGAERU (THINKING OF JAPAN)" in 1981, which wound up with its 30th volume last February.

A group of nine Japanese Red Army members, armed with pistols and Japanese swords, hijacked a Japan Airlines Boeing 727 in 1970 and fled to Pyongyang in the first hijacking incident in Japan. One of them later died from an illness.

Shibata, who was a teenager at the time of the hijacking, secretly came back to Japan under an assumed identity two years before he was finally arrested.

The members of Tamiya's group have been indicted and convicted in Japan on hijacking charges "in absentia" and have been given sentences of between four and 18 years in prison. They are reported as wishing to return home, depending on what penalty is given to Shibata, whose trial is still in progess.

Fishermen's Leader Disputes Soviet Allegations

OW0906062890 Tokyo KYODO in English 0543 GMT 9 Jun 90

[Text] Nakhodka, Soviet Union, June 9 KYODO—A chief fishermen in a group of Japanese on 12 North Korean-registered boats the Soviet Union seized for alleged poaching has insisted they were doing nothing wrong, Soviet officials said Saturday. The fisherman told Soviet fishery officials he thought North Korea had a quota to catch salmon in the north Pacific.

The man, whose name was not immediately known, made the comments to Soviet officials after the 12 boats arrived in the Far East Soviet port of Nakhodka earlier this week for questioning and to face trial. The boats were detained by Soviet patrol boats off the Kamchatka peninsula around May 20 for allegedly poaching for salmon. Some 170 Japanese fishermen were among the more than 200 crew.

The Soviet officials said the chief fisherman was questioned on Friday in the presence of North Korean officials. The officials quoted the fisherman as saying he had fished under the orders of a North Korean skipper. He also said he was informed by North Koreans that North Korea had a salmon catch quota in the high seas.

Meanwhile, a North Korean skipper of one of the 12 ships told Soviet authorities he was acting on the orders of a North Korean fishing company and believed the operation had been legal. He said the Japanese fishermen were acting on his orders, the officials said.

Soviet officials said they believe the North Korean fishing company had known it was illegal, and suspected the Japanese crew members also knew. The North Korean Consulate General in the Soviet port refused to let Japanese Consulate General officials meet the Japanese fishermen, informed sources said. The sources said North Korean consulate officials told the Soviets they consider the boats to be North Korean territory and rejected the entry of persons other than North Koreans.

Relief Aid Offered for Chernobyl Aftermath

OW0806005190 Tokyo KYODO in English 1330 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—Japan will offer the Soviet Union its medical experience in the effects of a nuclear blast in a relief project near the site of the Chernobyl nuclear power plant meltdown, Foreign Ministry sources said Thursday. The aid is in line with Japan's cooperation with an International Atomic Energy Agency (IAEA) plan to establish a research center in the Soviet Ukraine City. It will include sending a group of doctors specializing in the treatment of diseases caused by radioactivity and the donation of medicine.

The sources said Japan intends to join the IAEA project, to help map out the final blueprint for the project by the year's end. The international center will be the site for research with Soviet experts on the effects of radioactivity on the human body and the environment.

Japan will give financial and personnel assistance to the IAEA plan after consulting with World Health Organization (WHO) Secretary General Hiroshi Nakajima, the sources said. Nakajima will visit the Soviet Union next week at the invitation of Soviet Premier Nikolay Ryzhkov.

The Soviet Union has asked Japan for its help in the aftermath of the 1986 accident at Chernobyl. The request includes treatment in Japan of people suffering the effects of the fallout.

Japan suffered the world's first atomic bomb attacks by the United States in August 1945 in Hiroshima and Nagasaki, leading to its surrender in World War II. Japan has since stockpiled the results of its research and treatment of A-bomb survivors and the effects on the environment.

Japan will ask the United Nations Secretary General Javier Perez de Cuellar to send a U.N. fact-finding mission to Chernobyl and report the results at a U.N. General Assembly session in the fall, the sources said.

USSR To Sign Petrochemical Project Contract

OW0906103490 Tokyo KYODO in English 0658 GMT 9 Jun 90

[Text] Tokyo, June 9 KYODO—The Soviet Union and a group of four Western companies including Japan's Marubeni Corp. will sign a contract by year-end for a petrochemical venture in the east Siberian Tengiz oil field, informed sources said Saturday.

The four companies—Occidental Petroleum Corp. of the United States, Montedison S.P.A. and Enichem of Italy and Marubeni—have decided to proceed with the project after a three-year feasibility study, the sources said.

The recent summit meeting between U.S. President George Bush and Soviet President Mikhail Gorbachev provided a big push for the venture when the two agreed on the U.S.-Soviet joint development of the oil field. It will be one of the largest joint ventures the Soviet Union has embarked on with Western firms.

The Soviet Union is expected to supply 51 percent of the total cost of the project, which is estimated to fall somewhere between 5 and 7 billion dollars, with the remaining 49 percent shouldered equally by the four Western partners, according to the sources.

The project is designed to produce 400,000 tons of polypropylene and 600,000 tons of polyethylene annually using oil gasses from the oil field. About half of the products will be distributed in the Soviet Union, and the other half will be exported to Europe to earn precious hard currency.

The largest stumbling bloc to starting the project—the high sulfur content in the crude oil produced at the oil field—was removed when Chevron Corp. of the U.S. recently signed an agreement to participate in the oil refinery development in Tengiz. Chevron is expected to be able to supply sulfur-free oil for the project.

The Soviet petrochemical industry has been lagging far behind its Western counterparts due to inferior refinery technology and lack of funds. Gorbachev has singled out the industry as a major tool for earning hard currency and has been calling for Western cooperation in the field.

In a press conference after his meetings with Bush, the Soviet leader referred to the project as the main focus of Soviet-Western economic cooperation.

Firm Receives Letter of Credit From Lithuania

OW0806003990 Tokyo KYODO in English 1137 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—Chori Co., a medium-sized trading house, said Thursday it has received a letter of credit (LC) from the Lithuanian Republic of the Soviet Union for exports of househld knitting machines to the republic in late May. The LC will guarantee payment of about 80,000 dollars for 210 knitting machines made by Brother Industries Ltd. and exported by the Osaka-based company.

Concerned about the unstable economic situation in the breakaway republic, which has been suffering from an economic blockade imposed by Moscow, Chori had requested Litimpeks, a Lithuanian public trade corporation, to issue an LC. This is the first LC issued by a Soviet public agency in more than 10 years.

Company officials said Chori, whose trade with the Soviet Union totaled about 20 billion yen in the year to March 31, will continue to demand LCs for future transactions with the Soviet Union.

Meanwhile, Sumitomo Corp. said the company has also been given an LC by the Soviet Union for its scheduled shipment of general-purpose plastics worth some hundreds of million yen, while Mitsubishi Corp. said it will get LCs for deals with the country starting in July. Industry sources said such moves reflect a Soviet wish to invigorate trade with Japan, which has been slowing recently due to recurrent payment delays by the Soviets.

Government To Offer Mexicc Billion-Dollar Loan

OW0706225690 Tokyo KYODO in English 1436 GMT 7 Jun 90

[Text] Tokyo June 7 (KYODO)—The Japanese Government will offer a total of 1 billion dollars in loans to Mexico to fight air pollution in its capital city, officials said Thursday. The offer will be extended by Prime Minister Toshiki Kaifu to Mexican President Carlos Salinas de Gortari, who is due to arrive in Tokyo on June 16 for a six-day Japan visit, the officials said.

The loans are part of Japan's overseas cooperation in environmental issues, which Kaifu pledged at last year's Paris summit of the seven industrial Powers, they said. The pledge called for disbursement of 300 billion yen over a period of three years.

The amount to be offered to Mexico is half the country's 2 billion dollar budget for the fight against air pollution in Mexico City, the officials said.

Of the total loans, 500 million dollars will be provided by the government for the removal of sulfur at an oil refinery, and production of improved diesel trains to encourage the population to use more trains other than trucks with prolific exhaust gases.

The Export-Import Bank of Japan is also considering loans totaling about 420 million dollars at most, the officials added. It will help Mexico's government-run oil refining company to construct a new oil refinery.

Depending on the findings of a study mission to be sent to Mexico City next week, however, there is the possibility of the total amount of the loans being reduced to the 200 to 300 million dollar level, the officials said.

In addition to those loans, the International Trade and Industry Ministry will resume insurance on exports to Mexico by private companies. The maximum amount of funds made available under this scheme will be 300 million dollars, they said. Insurance cover had been suspended due to the country's sluggish economy, but Japanese Trade Minister Kabun Muto agreed with Salinas on the resumption, when they met in the United States in April. The plan will be conveyed to the Mexican President, the officials added.

Fukuoka Loss Seen as Blow to Kaifu Leadership

OW1006140490 Tokyo KYODO in English 1317 GMT 10 Jun 90

[Text] Fukuoka, June 10 KYODO—Japan Socialist Party [JSP] candidate Shigeko Mieno won Sunday's by-election for the House of Councillors in Fukuoka Prefecture, unofficial returns showed. Shigeko Mieno, 64, defeated Norihiko Sumiyoshi, 43, who ran on a Liberal Democratic Party (LDP) ticket, by a slight margin.

Mieno, who ran on the JSP ticket with support from the United Social Democratic Party, a minor opposition party, garnered 590,458 votes against 551,394 for Sumiyoshi as of 10:00 P.M. with 69 percent of votes being counted. Election officials said the voter turnout was estimated at 45.5 percent of the 3.48 million voters in Fukuoka Prefecture.

Mieno's victory will boost the strength of the JSP, the country's No. 1 opposition party, in the upper chamber to 73, against the 110 seats held by the LDP.

The by-election, the first state-level poll since last February's general election for the House of Representatives, was called after Akira Ono, former vice president of the house, died of pneumonia in April.

Election officials began counting ballots immediately after ballot boxes at 1,155 polling stations in the prefecture were closed at 6 P.M.

The result would represent a blow to the leadership of Prime Minister Toshiki Kaifu, who is also president of the LDP, and who has, according to recent mass media opinion polls, a high level of public support. Since leading the LDP to victory by winning a stable majority in the February general election, Kaifu has achieved major gains, particularly on the diplomatic front. Kaifu visited the United States in April, helping to compile an interim report on structural impediments initiative (SII) talks.

Earlier this month, Kaifu played host to South Korean President No Tae-u and also to leaders of Cambodia's four warring parties, impressing the Japanese voters with his diplomatic leadership, political sources said.

Mieno got many of women's votes due to continuing popularity for JSP Chairwoman Takako Doi. Kaifu visited Fukuoka Prefecture three times during the campaign period on behalf of the LDP candidate, while Takako Doi also campaigned actively there in a bid to shore up sagging public support for the largest opposition party.

Defense Chief Briefs LDP Officials on FY '91

OW0806051890 Tokyo KYODO in English 0328 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—Defense Agency Director General Yozo Ishikawa outlined plans to upgrade the quality of Japan's Self-Defense Forces (SDF) in a meeting with defense-related officials of the ruling Liberal Democratic Party on Friday.

Explaining the basics of his preliminary defense budget proposals for Fiscal 1991, beginning next April 1, Ishikawa said the plan includes a qualitative upgrading of the frontline preparedness of all three SDF forces in order to respond to the technical levels of other nations. It also aims to improve support capability through better information and command communications.

Other priorities include better organizational efficiency as well as the promotion of trust in defense arrangements with the United States.

He also indicated measures to upgrade the agency's Technical Research Department in regard to high-technology projects such as cooperation with the United States to develop a new fighter plane.

Ishikawa will report on Friday's meeting to SDF staff leaders and the research department head next Tuesday, and will submit his preliminary budget for Fiscal 1991 toward the end of August. The government budget for the current fiscal year, which became law on Thursday, includes an allocation of 4.16 trillion yen for defense spending.

Hashimoto Denies Derogatory Sexist Remarks

OW1406001190 Tokyo KYODO in English 1512 GMT 13 Jun 90

[Text] Tokyo, June 13 KYODO—Finance Minister Ryutaro Hashimoto on Wednesday denied reports that he believes Japanese women are bearing fewer children because of their advances in higher education. On Tuesday, Management and Coordination Agency Director General Jun Shiozaki quoted Hashimoto as suggesting that the trend for Japanese women to obtain higher education is responsible for the nation's sagging birthrate.

Hashimoto said he suggested at Tuesday's cabinet meeting a review of higher education policies in response to the declining birth rate. But he denied linking the trend to the increase in the number of women receiving a college education. "I am afraid we will not be able to discuss this matter seriously now," said the 52-year-old finance minister, who is reputedly popular among women and is also tipped as a future candidate for the premiership.

A government report issued last week said that in 1989 the average number of children per Japanese woman reached an all-time low of 1.57. The previous low, recorded in 1966, was 1.58. Authorities are concerned that the trend will lead to shortages in the labor force, and create problems for the welfare system.

The Government moved swiftly to comply with a request from Hashimoto to clarify his position, with Chief Cabinet Secretary Misoji Sakamoto denying at a regularly scheduled news conference that any controversial comment was made at the cabinet meeting.

Asked about Hashimoto's statement at a news conference on Tuesday, Sakamoto responded that he himself believed that women's achievements in higher education are partially responsible for the sagging birth rate. "But even if the Government tells (women) to 'give birth and multiply' Japanese women will not easily comply," he said.

Shiozaki called a special news conference to apologize for misrepresenting Hashimoto at a briefing the previous day. He declined to discuss his own views on the issue, and said he could not recall whether he himself had made any statement suggesting that Hashimoto had linked highly educated women and the low birth rate.

A Shiozaki aide said the tape of his news conference had been erased.

Major Corporations Improve Financial Structures

OW0806115990 Tokyo KYODO in English 0810 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—Major Japanese corporations had substantially improved financial structures in fiscal 1989 ended March 31 due to robust non-operating income stemming from effective financial engineering, a research institute said Friday. The private Wako Research Institute of Economics said the improvement was in spite of a slump in the stock and bond markets.

The institute said the marked rise in non-operating revenue arising from equity, currency and other financial transactions was chiefly attributable to efficient fund management known by Japanese firms as "zai-tech."

The survey, conducted by the research arm of Wako Securities Co., found that nearly 60 percent of the major corporations listed in the first section of the Tokyo Stock Exchange posted a net non-operating profit for fiscal 1989. The survey said that a record number of 617 companies of the total 1,040 firms, excluding banks, securities and insurance firms, reported a net surplus of their non-operating revenue generated from their financial dealings other than their main line of businesses.

Both Toyota Motor Corp. and Matsushita Electric Industrial Co. reported non-operating income of more than 100 billion yen for five years in a row largely because of effective financial engineering, the survey said.

The non-operating revenue and expenditure of the 1,040 firms surveyed showed a net deficit of 1,136.6 billion yen in fiscal 1989, down by 361.7 billion yen from the deficit in the previous fiscal year.

Corporations involved in electronics, automobiles and food posted a large surplus particularly in non-operating revenue. But nine industries of the total 34, including electric power, shipbuilding, and real estate, reported a net deficit in the same category, according to the survey.

Hitachi Reports Development of 64-Megabit DRAM

OW0706063090 Tokyo KYODO in English 0510 GMT 7 Jun 90

[Text] Tokyo, June 7 KYODO—Hitachi Ltd. said Thursday it has developed a prototype 64-megabit dynamic random-access memory (DRAM) chip, which it said makes it the front-runner in the race to develop a next-generation memory chip. Hitachi said the prototype, which it says is the first of its kind in the world, is capable of holding data equivalent to 256 newspaper pages, or one hour of sound recorded on a compact disc.

Fujitsu Ltd. and NEC Corp., two other major chip makers, have already announced they have developed key technologies for production of 64-megabit DRAMs. Hitachi said it plans to begin commercial production in 1995. DRAM chips are already available in four-megabit capacity, or the equivalent of about 16 newspaper pages.

Hitachi also announced the development of a technology that reduces power consumption of DRAMs, paving the way for production of more powerful notebook-size laptop computers that would be powered by a single dry cell. The technology makes it possible for DRAMs to operate on 1.5 volts of electricity, compared with the five volts at present needed to run DRAMs, it said.

The sample 64-megabit DRAM, coupled with the power-saving technology, can be used in high-technology products such as high-definition televisions, ultracompact tape recorders, and electronic still cameras.

Initiative Urged for Expanded Use of New Energy

OW1406091190 Tokyo KYODO in English 0803 GMT 14 Jun 90

[Text] Tokyo, June 14 KYODO—The government should take strong political and financial initiatives to expand the nationwide utilization of technologies for new energy generation with an eye toward lessening Japan's dependence on crude oil, a government report said Thursday. The report, compiled by the advisory committee for energy, which counsels the minsiter of international trade and industry, stressed the importance of putting into use a wide array of leading-edge energy-producing technologies to reduce dependence on crude oil as well as to limit damage to the environment.

As a result of public- and private-sector efforts, Japan's dependence on crude oil as a primary energy source declined from 77 percent in 1973 to 56.3 percent in 1985, but has resumed an uptrend since 1986, it said.

It said that some of the new techniques, including solar batteries, methanol-fueled car engines, and geothermal power generation, are nearing or already in the phase of practical use, but high initial costs and other stumbling blocks are preventing their wider use. So-called passive solar systems, for instance, are installed in more than 200,000 houses in the United States, but only 1,000 Japanese houses have such systems, it said.

The 18-page report called for tax incentives, legal changes, and other measures to stimultate the use of these technologies. Cutting initial costs and creating good applications are essential to promote the use of clean and limitless renewable energy like solar heat, wind power, or geothermal energy, it said.

For that purpose, the report proposed such measures as launching model projects, introducing new energy systems to public facilities, and offering tax incentives and other financial aid. It also suggested the loosening of a law controlling the installation of electricity facilities.

The report said similar steps should be taken with regard to alternative car fuels like methanol and natural gas, and to new energy-generation systems like "cogeneration" which combines electricity generation with the use of exhaust heat.

The government already eased the law on several points as of June 1 this year, and more changes will come soon, according to the agency of natural resources and energy. Through these measures, the energy supply from the new energy- producing technologies should grow to the equivalent of 17.4 million kiloliters of crude oil in 2000, and further to 34.7 million kiloliters in 2010, from 6.2 million kiloliters in 1988, the report concluded.

White Paper Urges Greater Traffic Safety

OW0806032890 Tokyo KYODO in English 0253 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—The 1989 Government White Paper on Traffic Safety calls on automobile manufacturers to produce safer cars and on authorities to crack down on illegal parking.

The White Paper, presented at a cabinet meeting by Jun Shiozaki, director general of the Management and Coordination Agency, noted a sharp increase in traffic accidents over the 20 years since the first White Paper was issued in 1970. The death toll in such accidents has been increasing sharply since 1980, topped the 11,000 level in 1989, and has kept rising this year, the White Paper said.

It noted in particular sharp increases in the number of fatal accidents involving youths aged 16 to 24 and persons over age 65. The agency called on automakers to produce safer vehicles in an effort to reduce the death toll.

It also urged police to crack down on illegal parking, which is believed to contribute directly to an increase in accidents by obstructing the normal flow of traffic. The paper said the death toll could also be reduced by improving emergency medical care.

The White Paper said the number of cars increased 3.1-fold in the past 20 years, and license holders 2.2-fold. Traffic at night and on Sundays rose, while women and aged drivers also increased, it said.

New Linear Motor Train Project Begins

OW0906002990 Tokyo KYODO in English 1328 GMT 8 Jun 90

[Text] Tokyo, June 8 KYODO—A project to build a new linear motor train capable of achieving speeds of 500 kilometers per hour moved closer to reality in Yamanashi Prefecture, west of Tokyo, Friday. The Transport Ministry said it gave Japan Railway Construction Public Corp., the Comprehensive Railway Research Institute, and Central Japan Railway Co. the green light to construct a 42.8- kilometer-long, 304 billion yen experimental line.

The group plans to start operational tests in 1993, complete all facilities, including the guideway, by 1995, and put the magnetically levitated train into service on a commercial basis by 1997. Experiments with a linear motor train system have been under way for some time in the southern Japan prefecture of Miyazaki.

The new experimental linear motor line will run from Sakaigawa, a village next to Kofu, capital of Yamanashi Prefecture, to Akiyama, a village bordering on Kanagawa Prefecture, crossing the Kawaguchi line of the Chuo Expressway. The major part of the route is mountainous with some 80 percent being tunnels.

The route will open the way for possible links with linear Shinkansen bullet train lines that enterprisers in Nagano, Aichi, and Mie Prefectures plan to construct in future, the ministry said.

Experiments in Yamanashi will examine the feasibility of transporting 10,000 passengers an hour by 14-car linear motor train, safety issues, and the impact of tunnel passage, as well as the economic efficiency of the system. With the full go-ahead by the authorities, the three participating companies will enter into negotiations with landowners for purchase of the right-of-way required for construction of the experimental train line.

Speculative land buying has already started in the neighborhoods along the route, informed sources said.

Mongolia

Gungaadorj Outlines Ways To Improve Economy

OW1006121390 Ulaanbaatar International Service in English 0910 GMT 7 Jun 90

[Station "talk" on the state of Mongolian economy]

[Text] Today some economists conclude that Mongolian economy is in crisis, but others define that it stands on the verge of the crisis. In fact, Mongolian economy is in very complicated situation.

In his recent interview over Mongolian radio, Chairman of Mongolian Council of Ministers Gungaadorj has defined major trends of the government economic policy, noting that the government attaches priority significance to a social trend of Mongolian economy. He has admitted the destroyed balance of Mongolian economy, slow rates of social production growth, and the lag of its efficiency behind the present day demands.

According to the showings of the past three years, the per-capita national income production went up by only 1.9 percent, and there have been accumulated huge social and economic problems needing an immediate solution. It is understandable that all these problems cannot be settled at one stroke. Hence, it is needed to work out and implement a reasonable and bold policy with due account of the specifics of the country and its reality. In the elimination of the existing difficulties, the government will concentrate its attention on social trend of economy, on part on the improvement of the people's well-being, more fullest [as heard] satisfaction of material and spiritual requirements of the population.

One of the major aspects of the government economic policy is to create and develop a market oriented mechanism that reflects common tendencies of the growth of the world economy and which corresponds with the national conditions and peculiarities. The government has already started elaborating its conception on the transition over to market economy which is completely new matter of Mongolia.

Another important trend of the government policy is the renewal of investment policy, augmentation of inner resources for raising the efficiency of capital investments. The capital investments in their turn should be used for technical and technological modernization of production, construction of small and medium enterprises capable to turn out highly competing products.

It is also considered expedient to step up Mongolia's participation in an international division of labor, regional economic and market relations on the basis of the principles of equality and mutual benefit, and intensively implement the open-door economic policy. In doing so, the Mongolian Government will hold its previous course at expanding and strengthening friendship and cooperation with neighboring countries—the USSR and the People's Republic of China.

Touching upon concrete measures carried out by the government on the realization of the economic policy, the prime minister said in part that there were made cardinal structural changes at all ministries and state committees. In the past two months, the managerial staff of 11 ministries has been fully renewed. As a result, there was saved over 80 million tugrik worth [of] wage fund.

In the sphere of agriculture, the government has recently resolved to increase the state purchasing prices of some types of agricultural produce, such as sheep wool, goat fleece, camel wool, butter, domesticated animal skin, etc. starting from 1991, and plans to take some measures on improving the material and spiritual requirements of the rural population.

For a successful implementation of the above-mentioned tasks, it is imperative to increase an average annual growth of the national income by more than seven percent. It is an unprecedented task, so its implementation is possible only at the fullest mobilization of labor, financial and spiritual resources, and in stable and favorable political atmosphere.

First Cooperative Bank Established

OW1006113590 Ulaanbaatar International Service in English 0910 GMT 7 Jun 90

[Text] For the first time in Mongolia, there is established a cooperative bank which was initiated by the Executive Committee of the Mongolian Red Cross Society. The Red Cross Society bank will function on a self-financing basis. It has the aim to contribute to raising the economic efficiency of social production, cooperatives, and individual labor activity of citizens. It is also called upon to promote the improvement of quality of the products.

North Korea

Chonminnyon on U.S. 'Responsibility' for Kwangju

SK1306102190 Pyongyang KCNA in English
1001 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—The "National Alliance of Democratic Movement" (Chonminnyon) in a statement June 12 denounced the United States for shirking its responsibility for the Kwangju massacre, according to a report.

The statement expressed resentment at the fact that the United States in an answer claimed no responsibility for the Kwangju bloodbath of the South Korean puppet army though it has operational command over the puppet army.

Saying the U.S. side's reply was run through with excuses to shirk responsibility for the brutal suppression of the Kwangju uprising, the statement urged it to honestly reply to the open questionnaire of "Chonminnyon".

"Chonminnyon" in an open letter of protest to the U.S. secretary of state late in May on the occasion of the 10th anniversary of the Kwangju uprising demanded that the United States admit its responsibility for the Kwangju massacre and "apologize to the soul of Kwangju victims". Protesting the U.S. side's evasive answer as to its responsibility, it demanded once again a sincere reply.

Appeal Marks 'Anti-U.S. Joint Struggle' Month

SK1406042190 Pyongyang KCNA in English
0409 GMT 14 Jun 90

[Text] Pyongyang June 14 (KCNA)—The Secretariat of the International Union of Students sent a letter to its national organisations appealing them to express solidarity for the struggle of the Korean people and students for the reunification of the country on the occasion of the June 25-July 27 month of the anti-U.S. joint struggle.

Noting that the efforts of the Korean people and students for the peaceful reunification of the country have run up against a grave challenge of the splittists, the letter said:

As shown by the current developments in South Korea, the students who demand independence, democracy and reunification are harshly suppressed, and initiatives for contact and dialogue between students in the North and South blocked.

We appeal to our national organisations to extend all possible forms of solidarity to the Korean people and students in their struggle to pull down the barrier of division, achieve free travel and full-scale opening between the north and the South and accelerate national reunification during the month of solidarity with the Korean people.

And we call for further intensifying the campaign for the release of Yim Su-kyong.

'Analyst' Denounces Japanese Arms Buildup

SK1306065690 Pyongyang KCNA in English
0539 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—The Japanese Defence Agency announced that 23,000 billion yen (151,300 million U.S. dollars) would be earmarked for military spendings during the period of the new five-year plan for arms buildup. Commenting on this, NODONG SINMUN today says:

The Japanese ruling circles are taking the road of unbridled arms expansion with the main goal to have great military power for new militarist overseas aggression, going against the universal trend towards disarmament and detente.

The news analyst continues:

The new five-year plan is designed to have the "Self-Defence Forces" capable of undertaking operations on a world-wide scale with emphasis on their qualitative improvement.

It is the ambition of the Japanese ruling quarters to present themselves as a big power, a military power which exercises its influence not only economically but also militarily in the settlement of the global problems. For the present, Japan has designated Asia as the theatre of its military activity.

Japan's arms buildup is motivated by its plan to put the Asia-Pacific region under its military control by establishing the command of the sea and the air.

The Japanese reactionaries, dreaming of those days when they lorded it over in Asia as its "leader" are trying hard to repeat the history of aggression.

They are now vociferating that Japan will never be a "military power". This is nothing but a trick to cover up this intention of theirs.

The first arrow of their attack for overseas aggression is levelling at Korea.

The Japanese reactionaries are trying to realise the old dream of "greater East Asia coprosperity sphere" with South Korea as a springboard.

The Asian people are heightening vigilance against the revival of Japanese militarism and its moves for reinvasion.

More Reportage on Burkinabe Delegation's Visit

Kim Il-song Receives Delegation

SK1106113190 Pyongyang KCNA in English
1037 GMT 11 Jun 90

[Text] Pyongyang June 11 (KCNA)—The great leader President Kim Il-song today received the Burkina Faso

Government Delegation led by Prosper Vokouma, minister of foreign relations, on an official goodwill visit to our country.

Vice-Premier and Foreign Minister Kim Yong-nam was on hand.

On the occasion the head of the delegation conveyed to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, a personal letter of Comrade Blaise Compaore, chairman of the People's Front of Burkina Faso and head of state and government of Burkina Faso.

President Kim Il-song had a cordial and friendly conversation with the guests.

The guests presented him with a gift.

Delegation Concludes Visit

SK1206102190 Pyongyang KCNA in English 1015 GMT 12 Jun 90

[Text] Pyongyang June 12 (KCNA)—The Burkina Faso Government delegation led by Minister of Foreign Relations Prosper Vokouma left here today after finishing its official goodwill visit to Korea upon the invitation of the Government of the Democratic People's Republic of Korea.

The delegation, during its stay, went round Pyongyang and local areas.

Visiting the West Sea barrage, the head of the delegation said it eloquently shows how strong the might of the popular masses is.

This achievement convinces us of the greatness and role of the leader who wisely leads his people, believing in their strength, he said. The success of the Korean people, he added, is the result of the wise leadership of the great leader His Excellency President Kim Il-song.

The delegation saw the concrete wall built by the U.S. imperialists and the South Korean puppets in the area south of the Military Demarcation Line.

Dailies Mark Che Guevara's Birthday

SK1406044090 Pyongyang KCNA in English 0422 GMT 14 Jun 90

[Text] Pyongyang June 14 (KCNA)—Pyongyang-based newspapers Thursday observe the 62nd birth anniversary of Che Guevara, an internationalist soldier.

Out of a noble sense of internationalism, Che Guevara fought an active and heroic revolutionary fight with arms in hand, defying death, to defend the Cuban revolution and bring earlier the day of the liberation of the oppressed people in Latin America, shoulder to shoulder with Latin American revolutionaries under the banner of proletarian internationalism, says a signed article of NODONG SINMUN. It continues:

His brilliant example encouraged the Latin American people and the revolutionary people throughout the world to heroic feats.

He fell in action, but the blood shed by him was not in vain.

Socialism which he wished so earnestly is making a long drive in Cuba. Today the Cuban people, closely rallied behind the Communist Party of Cuba headed by Comrade Fidel Castro, are dynamically forging ahead under the banner of socialism in face of the persistent anti-Cuban campaign of the U.S. imperialists. The advantages of socialism are given full play in Cuba.

The heroic Cuban people enjoy respect from the revolutionary people throughout the world for their loyalty to the cause of socialism, the revolutionary principle and internationalism and encourage the fighting people with their practical examples.

The Latin American people are waging a vigorous struggle for independence and liberation.

The name of Che Guevara will always be cherished deep in the hearts of the peoples fighting for freedom, independence and socialism.

A signed article of MINJU CHOSON stresses that although Che Guevara is not with us, the revolutionary cause he left unaccomplished will certainly be achieved by the struggle of the Latin American revolutionaries and the world's revolutionary people.

Papers Mark Anniversary of Ties With Maldives

SK1406104290 Pyongyang KCNA in English 1013 GMT 14 Jun 90

[Text] Pyongyang June 14 (KCNA)—Papers here today dedicate signed articles to the 20th anniversary of the establishment of diplomatic relations between Korea and Maldives (June 14, 1970).

The establishment of diplomatic relations between Korea and Maldives was an important occasion in developing the friendly relations between the two countries, NODONG SINMUN says, and points out:

Since the establishment of diplomatic relations the two peoples have supported and cooperated with each other in building a new society.

Maldives has made successes in her efforts for the liquidation of the aftermath of the colonial rule and for the independent development of the country and social progress after the independence.

Today the Maldivian Government is taking a series of measures to achieve the political stability of the country and national unity and upgrade the economy as a whole.

The Maldivian Government externally pursues a nonaligned policy and strives to convert the Indian Ocean into a peace zone.

The Korean people will endeavour to further develop the friendly and cooperative relations with the Maldivian people under the idea of independence, peace and friendship.

MINJU CHOSON says that the Korean people are wholeheartedly rejoiced over the achievements made by the friendly Maldivian people in the building of a new society.

Chonminnyon Letter Read at West Berlin Talks

SK1306064090 Pyongyang KCNA in English 0516 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—Working talks on a Nationwide Conference for Peace and Reunification of the Country were held in West Berlin over June 2-3.

The talks were participated in by delegates from the homeland and delegates of Koreans from the United States, Canada, Europe, Japan, the Soviet Union and other regions.

A letter of the "National Alliance of Democratic Movement" (Chonminnyon) of South Korea addressed to the working talks was read out before entering into discussion at the talks.

Referring to the failure to send its delegation due to obstructions of the authorities, Chonminnyon said in the letter that "a nationwide conference proposed and promoted by Chonminnyon since its inception in January, 1988 stems from the understanding that the independent and peaceful reunification of the country is possible only when not only the authorities of the North and the South but also the 70 million fellow countrymen in the North, South and overseas, the whole nation are all out for it."

The letter called upon the South Korean authorities to immediately withdraw the "policy of checking" the nationwide conference and join in the nationwide efforts for peaceful reunification.

A statement under the headings "Our Stand in Reply to the Warm Hearts of Chonminnyon" was published at the talks regarding the letter.

Noting that the subject of the struggle for national reunification is the 70 million fellow countrymen in the North, South and overseas, it stated:

We will bring the August 15 nationwide conference to a success on all accounts by incorporating the whole nation's will.

If the South Korean authorities truly want reunification, not division, returning to the spirit of the July 4 joint statement, they must not keep Chonminnyon from participating in the nationwide conference, and they themselves must come out to it, the statement stressed.

An agreement was adopted at the talks.

According to it, the "Nationwide Conference for Peace and Reunification of the Country" slated for August 15 this year marking the 45th anniversary of national liberation is aimed at guaranteeing peace on the Korean peninsula and accelerating the independent and peaceful reunification of the country on the basis of the three principles of independence, peaceful reunification and great national unity.

The topic of the conference will be "to guarantee peace on the Korean peninsula and accelerate the independent and peaceful reunification of the country."

Panmunjom is the venue of the conference, and functions will be held in Pyongyang, Seoul and other regions.

The conference will be participated in by 50-200 or so delegates each from the North, South and overseas, and delegates of political parties and organizations and individual personages who support the basic spirit of the July 4 joint statement and truly want national reunification, and also delegates of the authorities of the North and the South are entitled to attend it.

The conference will adopt necessary documents including a resolution in its name, an appeal to the Koreans in the North, South and overseas and letters to the authorities of the North and the South, to the United States and the United Nations.

The agreement also elaborates on the procedures of the conference, functions and activities to stimulate the reunification movement.

The working talks expressed the belief that the historical August 15 nationwide conference would be held successfully amid full support and encouragement of the Koreans at home and abroad, according to the agreement.

Koreans in Japan Support North's 5-Point Policy

SK1206101690 Pyongyang KCNA in English 1004 GMT 12 Jun 90

[Text] Tokyo June 10 (KNS-KCNA)—Kim Chong-su, chairman of the Association of Koreans in Japan for Peaceful Reunification, on June 7 issued a statement in support of the disarmament proposal to carry into effect the five-point policy of national reunification and the proposal to install a preparatory committee for national reunification.

Considering these policy and proposals realistic and fair ones for removing the obstacles lying in the way of reunification at the moment and accelerating the self-determined, peaceful reunification of the homeland, he fully supported and welcomed them.

He stressed:

If they mean business in their talk about "disarmament," "peace" and "reunification," the South Korean authorities must desist from criminal acts to create "two Koreas" by relying on outside forces, and immediately respond to the DPRK's proposals for national reunification and disarmament.

Our association will join force with all the political parties, social organizations and people of all social standings at home and abroad and make all efforts to guarantee peace in the territory of the homeland and accomplish the great cause of national reunification.

HANGYORE SINMUN Quoted on Poll Results

SK1206052090 Pyongyang KCNA in English 0456 GMT 12 Jun 90

["South Korea Is a U.S. Colony"—KCNA headline]

[Text] Pyongyang June 12 (KCNA)—The South Korean paper HANGYORE SINMUN conveyed the result of a recent Gallup poll on "What do you think of South Korea-U.S. Relations?" taken by the South Korean social institute among dissidents, workers, farmers and men of letters, 440 in all.

According to it, 57.4 percent of the pollees replied that "South Korea is a colony of the United States" and most of them said that "the rate of South Korea's dependence on the United States is too high" and "the U.S. is the biggest obstruction to democratisation".

This tells that national consciousness is daily growing among South Korean people and a great change is taking place in their consciousness.

'Analyst' on No's 'Constitutional Amendment'

SK1406043590 Pyongyang KCNA in English 0428 GMT 14 Jun 90

["Brazen-Faced Plot for Long-Term Office"—KCNA headline]

[Text] Pyongyang June 14 (KCNA)—The "constitutional amendment for a parliamentary cabinet system" which the "Democratic Liberal Party [DLP]" is going to force is another unpardonable, anti-popular criminal act ignoring the will of the people and it shows that the No Tae-u group's scheme to remain in power indefinitely has got into full stride, notes NODONG SINMUN today.

The news analyst says:

The projected "constitutional amendment" is, in essence, another political coup d'etat aimed at institutionally legalizing the long-term office of the "DLP's dictatorial regime".

The puppets, despite the protest of the people, are openly trying to force a "constitutional amendment for a parliamentary cabinet system". This is an arrogant fascist arbitrariness of those who knocked together the socalled "mega-ruling party" through the treacherous merger of three parties.

It should be decided in accordance with the will of the South Korean people to choose between the "parliamentary cabinet system" and the "presidential system."

But the "constitutional amendment" was plotted by a few political charlatans forsaken by the people, ignoring their will.

This fully reveals the dirty "secret-room politics" and "underhand lobbying politics" of the No Tae-u group and clearly proves the fascist color of the "DLP regime".

The situation bespeaks that if the No group's scheme for a long-term office is allowed, it will entail irrevocable consequences and the people's desire for democracy can never be realised any time.

The "DLP" political gangsters' plots for "constitutional amendment" must be decisively checked.

Dailies Assail Verdicts Against Priest, Student

SK1306065090 Pyongyang KCNA in English 0526 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—NODONG SINMUN and MINJU CHOSON today denounce the No Tae-u fascist clique for having sentenced coed Yim Su-kyong and Father Mun Kyu-hyon each to five years' imprisonment and five years' disqualification at a verdict trial on their appeals at the puppet Seoul high court on June 11.

The news analyst of NODONG SINMUN says this evokes bitter resentment at home and abroad, branding it as an open challenge to the entire Korean people in the North and the South and overseas and human conscience calling for acquittal of Yim Su-kyong and Mun Kyu-hyon and as part of the vicious fascist repressive campaign against the patriotic democratic forces of reunification.

The just doings of Yim Su-kyong and Mun Kyu-hyon who have devoted themselves to the noble cause of reunification, the cherished desire of the nation, are patriotic deeds which deserve praise of the entire fellow countrymen and can be incriminated by nobody but a group of traitors to the nation, notes the news analyst, adding:

The No Tae-u group sentenced Yim Su-kyong, the "flower of reunification," and her companion to prison terms at a time when loud voices demanding the demolition of the barrier of division and the opening of the door for reunification are ringing out from among the Koreans at home and abroad who have acknowledged our five-point policy of national reunification, the great reunification charter of the 1990s. This has laid bare once again its true colour as a fascist hooligan who has not a shred of national conscience and humanity and the heinous enemy of the nation and reunification who does not want national reconciliation and reunification.

Those who must be tried and punished in South Korea are not the messengers of reunification but the No Tae-u group who is desperately working to stifle the pro-reunification forces and prop up the crumbling colonial fascist dictatorial "regime" in pursuance of confrontation and division while paying lip service to "reunification" and "national community."

The news analyst of MINJU CHOSON stresses that although the puppets are now penalising the envoys of reunification at the point of the bayonet, they will never dampen the people's desire and will for national reunification and will be punished by history and the people tomorrow.

NODONG SINMUN Article Quotes Kim Il-song

SK1206055290 Pyongyang KCNA in English 0505 GMT 12 Jun 90

["Opposing War and Safeguarding Peace—Common Aspiration of Mankind"—KCNA headline]

[Text] Pyongyang June 12 (KCNA)—NODONG SINMUN today comes out with a signed article entitled "Opposing War and Safeguarding Peace—Common Aspiration of Mankind."

The article quotes the great leader Comrade Kim Il-song as saying in his historic policy speech at the first session of the Ninth Supreme People's Assembly:

"Opposing war and safeguarding peace is the common aspiration of mankind. The people can succeed in building a new, independent and prosperous society only when peaceful circumstances are guaranteed."

The article notes:

It is a practically urgent problem at present to oppose war and safeguard peace because the danger of nuclear war is growing due to the belligerent moves of the U.S. imperialists.

While loudly talking about "peace" and "disarmament," they are, behind the scene, expanding armaments and stepping up preparations for nuclear war.

Their ulterior intention is to develop and produce new-type nuclear weapons behind the facade of "disarmament," get the upper hand in nuclear strength and realise their wild ambition for world supremacy.

Due to their armaments expansion and belligerent moves, the international tensions are still being aggravated and the danger of nuclear war is increasing in some parts of the world.

It is the Korean peninsula that is facing the greatest danger of nuclear war. The U.S. imperialists have deployed more than 1,000 pieces of nuclear arms in South Korea and turned it into the largest nuclear forward base in the Far East and are ceaselessly staging military maneuvers for nuclear strike in South Korea and its vicinity.

Now that the tensions keep increasing on the Korean peninsula, any accidental factor might trigger off a war.

The prevailing situation makes it incumbent on all those desirous of the security and peace of mankind to join in the struggle to oppose a new world war and preserve a durable peace in the world.

In order to oppose war and safeguard peace, it is imperative at present to realise disarmament, completely abolish nuclear weapons and get the aggressive troops and military bases in other countries withdrawn from there.

It is also important for the peaceloving people throughout the world to sharpen their vigilance against the crafty moves of the imperialists, maintain a principled position towards the imperialists and unite themselves closely.

Peace obtained by begging the imperialists or by means of unilateral concession is not a genuine peace.

Article Views North's 'Unconquerable' Socialism

SK1106105290 Pyongyang KCNA in English 1043 GMT 11 Jun 90

["Source of Unconquerableness of Our Socialism"—KCNA headline]

[Text] Pyongyang June 11 (KCNA)—NODONG SINMUN today comes out with a signed article entitled "Source of Unconquerableness of Our Socialism."

The great leader Comrade Kim Il-song elaborated on the source of the unconquerableness of our socialism and of our people's high degree of national pride and the spirit of their revolutionary optimism in his historic policy speech "Let Us Bring the Advantages of Socialism in Our Country Into Full Play."

Comrade Kim Il-song said:

"The greatness of the chuche idea, the guiding ideology of our party, the unconquerableness of our people who have established chuche, and the advantages of our socialist system which is the embodiment of the chuche idea—these are the summary of our people's struggle for socialism, and precisely in them our people take great pride and precisely from them they derive their confidence in a brighter future."

The article says:

The summary of our people's struggle for socialism is, first of all, that the chuche idea, the guiding ideology of our party, is great.

The chuche idea is the most revolutionary idea that advocates man's chajusong thoroughly and scientifically clarifies the way of realizing chajusong completely and an ever-victorious banner for accomplishing the cause of socialism.

The chuche idea expounds the precious truth that victory is possible only when the popular masses form the strong subject of the revolution, closely united around the party and the leader and build socialism independently and creatively by themselves in conformity with the specific conditions of their country.

Our people have defended the national sovereignty and dignity with credit and established the most superior socialist system of our own way in this land by struggling under the banner of the great chuche idea.

Thanks to the great chuche idea, our people have strengthened the subject of the revolution in every way and successfully settled, relying on it, difficult and complicated problems arising in the socialist construction.

Our people are determined to push ahead with the cause of socialism along the road indicated by the chuche idea, with the firm conviction of the bright future and victory of our cause of socialism from the greatness of the chuche idea.

What is important in the summary of our people's struggle for socialism is also that unconquerable is the strength of our people who have established chuche.

The strong subject of our revolution has been firmly built up as an invincible bulwark demonstrating the honor and dignity of socialism. Our socialism is dynamically advancing, despite the vicious challenges and moves of imperialism. This shows that any anti-socialist move of the enemy does not work to our people who have established chuche and no force can block the subject of our revolution.

As our people have established chuche, living our own way, firmly believing only in the party and the leader and bearing in mind the great chuche idea as the only life-giving water, we are now steadily advancing along the road of socialism we chose, taking the initiative in the fermenting flow of history.

Today the politico-ideological unity of our party and people is in a new high stage and ideology and spirit of our people is high. It is the noble ideological and mental trait of our people closely rallied in one ideology and purpose to cherish faith in the greatness of their party and the leader and think and act as required by the chuche idea of our party.

This is why any slightest alien ideological trend cannot infiltrate into our society and the might of our revolutionary ranks is growing stronger day by day.

What is important in the summary of our people's struggle for socialism is that our socialist system is most advantageous.

The main characteristics of our socialist system lies in that popular masses have become master of everything and everything serves them.

Noting that all these are attributable to the greatness of the party and the leader, the article stresses: The historical experience of our people's struggle for socialism proves that socialism guided by the great party and the leader is unconquerable and its prospect is very bright.

Editorial Urges Intensifying Education in Pride

SK1106103590 Pyongyang KCNA in English 1024 GMT 11 Jun 90

[Text] Pyongyang June 11 (KCNA)—NODONG SINMUN today editorially calls for intensifying education in a high sense of national pride and honour.

The editorial quotes dear Comrade Kim Chong-il as saying:

"We must ensure that all the people cherish the dignity of the resourceful and courageous Korean nation, the sense of pride and honour of a people who is making a revolution under the guidance of the great leader in particular."

The Korean-nation-first idea is a noble ideological sentiment coming from the sense of pride and honour of the greatness of the Korean nation and the high degree of self-consciousness and will to add lustre to the greatness of the Korean nation. This noble ideological sentiment, which contains the sense of pride and honour of a people who are under the leadership of the great leader and the great party, the sense of pride and honour of a people who have the great chuche idea and live under the most superior socialist system, constitutes an ideological and mental motive force which makes it possible to fully demonstrate the might and honour of a nation in all sectors.

To ensure that all the people cherish a high sense of a national pride is a more urgent matter under the conditions in which the imperialists and all other reactionary forces are calumniating and slandering socialism and viciously scheming to make the people lose confidence in it.

What is most important in education to enhance the sense of national pride and honour among the party members and other working people is to make them deeply acquire the greatness of the party and the leader and uphold the guidance of the party and the leader with loyalty.

The greatness of our nation is, precisely, the greatness of our leader and party. Only when the party members and other working people cherish the greatness of the party and the leader deep in mind can they add lustre to the honour of the Korean nation with a high sense of national pride and honour of making revolution under the guidance of the great leader and the great party.

It is important in cherishing a high sense of national pride and honour for the people to steadily consolidate and develop the most superior socialist system of our style.

What is also important in the education of the entire party members and other working people in a high sense of national pride and honour is to propagandize well the might and invincibility of the single-hearted unity of the leader, the party and the popular masses, to successfully carry forward the revolutionary traditions and keep national traditions alive, stresses the editorial.

South Korea

No Tae-u's Visit to United States Analyzed

SK1406035790 Seoul CHOSON ILBO in Korean 8 Jun 90 p 2

[Article by correspondent Yi Sang-chol from Honolulu]

[Text] The six days President No Tae-u spent visiting the United States can be called a period during which "Korean diplomacy" was most highlighted. The Korean-Soviet summit talks, the first ever in history, have paved the way for establishing diplomatic relations between the two countries and have put an end to the 45-year cold war on the Korean peninsula. The Korean-Soviet summit talks have opened a new possibility for reunification. The ROK and the Soviet Union agreed to make joint efforts to alleviate tension on the Korean peninsula and to open up North Korea. This has provided an epochal turning point in solving the division problem.

President No also held summit talks with President Bush. We can say that the summit talks have consolidated a basis for developing this "turning point" into a Korean-U.S.-Soviet triangular cooperative structure.

Prior to his visit to the United States, President No visited Japan and liquidated the legacies of the "past history." The first Korean-Soviet summit talks that followed the Japan visit started a new history in the relations between the ROK and the Soviet Union, and the Korean-U.S. summit talks "liquidated" the legacies of history and "started" a new history.

President No's successive summit talks with the three powers in our neighborhood are surely an important move toward fundamentally solving the Korean peninsula problem. President No has for a long time made efforts to change tides in the vicinity of the Korean peninsula with the united efforts of the powers surrounding us and, in the long run, to create a strong wind of opening up in North Korea, thereby ultimately solving the division problem. It seems that his course has proven to be correct.

As a result, we can say, an international environment has been promoted in which we and the three of the four powers in the vicinity of the Korean peninsula—the United States, the Soviet Union, China, and Japan—are on the same track now.

However, all of this is just the beginning of the northern policy, not its conclusion. This is because, still, North Korea and China, both important factors, have kept their doors closed and have refused to join in the tide of international politics. In particular, upon witnessing the collapse of the Romanian regime and other developments in East Europe, the North Korean leadership has been under the obsession that "opening up" means the "destruction of its regime" and has assumed the attitude of defiantly resisting any "pressure." Therefore, it is difficult now to expect the North Korean leadership to dramatically change its attitude. Moreover, another problem is that North Korea and China have different political, historical, and cultural backgrounds from those of the East European countries. Therefore, it is difficult to expect that the mere "Moscow wind" will be able to rapidly open up North Korea.

President No and Chongwadae have the same view. This is shown by the fact that President No said: "Only the road via Moscow, among the roads to Pyongyang—via Panmunjom, Moscow, and Beijing—is open." Therefore, our efforts to open up North Korea have just started, and the government believes these efforts must be made under prudent and profound strategies.

The government's basic strategy to open up North Korea is to make detours to open up North Korea without directly inciting it. Therefore, it is expected that the government will gradually put external pressure on North Korea by going around via Moscow, which has recently opened, and by a backup avenue via Washington and Moscow.

It is clear that in the wake of the "agreement to establish Korean-Soviet diplomatic relations," the government will make urgent efforts to normalize relations with China, which has prevented perestroyka from advancing into North Korea. This is because normalizing relations between the ROK and China, which, too, can lead North Korea to open up, is the only road that has not opened. To this end, the government appears to be making utmost efforts to make another "San Francisco talk" possible on and around the Beijing Asian Games in September by concentrating all our diplomatic capabilities. This is why the rumors on the possibility of President No's observation of the Beijing Asian games in September have been spread frequently.

It appears the government is planning to make efforts to indirectly lead North Korea to open up via Japan and the United States and to, ultimately, make gradual progress in solving the Korean peninsula problem through the cross-recognition of North and South Korea by the United States, Japan, China, and the Soviet Union. It is difficult to predict when such plans and efforts by the government will bear fruits. However, it is generally agreed that once North Korea starts opening up, it will open up in an alarmingly quick fashion.

We can predict that progress can be made "all of a sudden" in the issue of improving the relations between the ROK and China, which can be called a precondition for North Korea's opening up. This is in view of the fact that the general situation in the vicinity of the Korean peninsula has become favorable to the Korean side since the Soviet Union joined our side.

It is also predicted that China can decide between a way in which it will gradually upgrade its relations with the ROK while maintaining its policy toward North Korea and a way in which it will accept the cross-recognition of North and South Korea by the four powers or the formation of the "Northeast Asian peace committee," advocated by the ROK and the Soviet Union. Of course, a decisive factor that makes such a speculation possible is the possibility of establishing formal relations between the ROK and the Soviet Union.

However, this analysis and forecast hold true only when our domestic political and economic situation and other conditions do not constitute an obstacle to our efforts to open up North Korea. This is because, if our domestic political situation is unstable and chaotic, North Korea will have no reason to open up. This is also because, if our economy is in trouble, we will not be able to establish diplomatic relations with the Soviet Union and China or promote relations of cooperation with them as we intend to. We can say that what is waiting for President No back home is the simple truth that the handling of external affairs is an extension of that of domestic affairs.

No Urges 'Control' of Emotions After Summit

SK1306033890 Seoul THE KOREA TIMES in English 13 Jun 90 p 5

[By staff reporter Pak Mu-chong]

[Text] The "Gorbachev syndrome" has been sweeping the nation since the historic San Francisco summit between President No Tae-u and Soviet leader Mikhail Gorbachev last week. In a word, the entire society is too excited to see things cool-headedly, acting as if national unification is at hand.

The summit, itself was historic, and no one can deny this. The unprecedented meeting between the leaders of the countries which have been antagonistic to each other for the past 45 years, indeed, has paved the road to peace and unification on the Korean Peninsula, heralding a thaw in this last battle field of the post-war Cold War.

However, the people are too excited, given the real situation, about the rosy future of Seoul-Moscow and Seoul-Pyongyang relations, even being irritated that the next sensational event is not happening right now. Excessive government publicity of the outcome of the No-Gorbachev meeting is partly to blame for the social atmosphere, dubbed "Moscow fever," (a Soviet week was observed in Seoul around the summit meeting). But, voices have begun to be raised, warning against such impatience and excitement, fortunately.

It was President No himself who warned against euphoria from the summit. In a series of meetings of government and ruling party leaders held immediately after his return home, No stressed that the people should remain in control of their emotions in regard to the normalization of Seoul-Moscow relations. "We have to remain cool and composed and pool our wisdom in pursuing relations with Moscow and Pyongyang," he told leaders of the assembly, courts and the administration.

As the President pointed out, the excited atmosphere should be cooled down first of all. And then, the entire society should act in concert with the government in coping with the changing situation, analysts say.

At the same time, no one should make light of the existing friendship with our traditional allies such as the United States and Japan in the course of improving relations with communist countries. In particular, businessmen are required to show prudence in their bids to make inroads into Soviet markets in the wake of the signs of normalization of bilateral relations.

Upon returning from his historic trip to the United States, No ordered the administration to create a systematic and cooperative inter-ministry system in order to translate into action results of the summit meeting and to study South-North relations. But, government offices concerned have appeared not to be acting in concert, putting forth different opinions, respectively. It seems that a considerable time will be needed to coordinate the different voices within the government and work out tangible measures to back up the results of the summit. In this context, an organic and cooperative system should be set up among ministries, thus enabling the government to push through consistent policies.

The overheated competition of the domestic mass media "stripped No of cards with which he could have bargained with Gorbachev on economic cooperation between the two countries," a high-ranking official contended.

No warned Monday during a joint session of Cabinet members and ruling Democratic Liberal Party leaders against such a trend, saying, "There must be counterparts in diplomacy. If the party, the government and each field of society have different voices, what will only suffer damage is the state, and we cannot do anything." "The people will be also driven into chaos and thus the party and the government will lose the confidence of the people," he stressed.

What draws most concern in the wake of the San Francisco summit is how the No-Gorbachev meeting will affect South-North Korean relations. An initial prospect is that any progress in Seoul-Moscow relations will have Pyongyang change eventually. And the changes in the North will get rid of danger of war on the peninsula, opening a shortcut to peace and unification.

What President No aimed at through his meeting with Gorbachev was, first of all, to help stubborn North Korea open its doors to the world, accepting the waves of reform and openness spreading around the world. As a result, No, returning home, ordered the administration to work out plans to provide the North with "justification" for their opening. In preparations for the possible changes in the North, diverse measures must be hammered out to cope with them effectively.

No boasted of his diplomatic success, and that his summit talks with Gorbachev and Bush were a great success no one can deny. But his diplomatic achievement has not allowed him to dump a burden he might wish to. He has to solve pending domestic questions, including, first of all, arresting soaring prices. Just a month ago when the ruling camp leaders declared. The nation faced "a general crisis," No vowed to achieve social, economic and political stability within the year at any cost. Now he has to keep his word, and keep pace with his remarkable accomplishment in diplomacy.

Scholar Welcomes Results of Soviet Summit Talks

SK1206000190 Seoul TONG-A ILBO in Korean 6 Jun 90 p 10

[Lecture by Pak Kil-yong, former North Korean vice minister of foreign affairs, in a seminar held in Seoul on 5 June on the occasion of the 40th anniversary of the Korean war, by reporter Kim Se-won]

[Text] [Begin editor's note] The 5 June San Francisco Korean-Soviet summit talks opened a new horizon in converting the cold war structure of the Korean peninsula which has been adhered to for 40 years since the Korean war and the relationship of the Northeast Asian powers. On this same day, Pak Kil-yong (Soviet name: Valentin Konstantinovich Pak or Mikhail Pak), one of the leading figures of the Korean war who also played an active role as a diplomat in the early days of the North Korean regime, was attending an international seminar on the occasion of the 40th anniversary of the Korean war hosted by the Institute of Social Sciences, Kungmin University. He was attending this seminar as a representative of the Soviet scholars. In his lecture he revealed his view on "the Korean-Soviet summit talks and reunification." Mr. Pak who set foot in Seoul for the first time since the cease-fire, was one of the practical persons in charge of munitions and after the cease-fire served as the first North Korean ambassador to Czechoslovakia and East Germany and as the vice foreign minister. In 1955 he defected to the Soviet Union. Currently he is a scholar at the Oriental Studies Institute in charge of the Korean peninsula under the USSR Academy of Sciences. [end editor's note]

The Korean-Soviet summit talks will have a great influence on changing the current situation on the Korean peninsula, which was brought about due to the Korean war. In reality today's talks were achieved because Gorbachev's new policy was put into practice by Korea and the Soviet Union. Both countries had had no contact with each other until the late eighties. Therefore, by putting the new policy into practice, it brought about results such as the Soviet Union's virtually recognizing Korea and of starting exchanges between the two countries in the fields of trade, economy, science, and culture. Especially the visit to the Soviet Union last May by Kim Yong-sam, executive chairman of the Democratic Liberal Party, brought about a new thrust in the development of Korean-Soviet relations as a result of holding talks with high-ranking Soviet leadership.

Since World War II, there were positive aspects and also mistakes in the Soviet's policy toward the Korean peninsula. I believe that the Soviet Union and the United States have a moral obligation of justly supporting the work to achieve peace and reunification on the Korean peninsula. The reason is that the United States and the Soviet Union are the ones that made the 38th parallel dividing the Korean peninsula. The division of the Korean peninsula became definite in the 1945 Moscow tripartite summit talks where the trusteeship was decided upon.

What made the possibilities of achieving the reunification of the Korean peninsula a far-off task most of all was the Korean war. There are different opinions among Soviet scholars on the reason for the Korean war. I think the Korean war was prompted by Stalin who wanted to expand socialist territory and thus ordered young Kim Il-song to trigger the Korean war. Reunification, which has been delayed for 40 years due to the Korean war, will be achieved ahead of schedule in accordance with the Korean-Soviet summit talks. Even though the Soviet Union had instigated the war, it made three mistakes, which were the intervention by the United States; not forecasting in advance the Inchon landing by the UN forces; and not participating in the United Nations Security Council because it ruled that North Korea was an aggressor nation. On the other hand, since China dispatched its troops on a large-scale during the Korean war, it was possible for China to actively intervene in the Korean peninsula issue. Even now, China remains as the closest ally of North Korea.

Since the Tiananmen incident, China is walking the same political line as North Korea and is continuing to support North Korea with new type weapons. It is even supporting the hereditary succession of power in North Korea. Therefore, it seems that North Korea will be absolutely dependent upon China in the future. It is no exaggeration to say that changes in North Korea are dependent upon China. If China does not change its current closed line to an open democratic line, it will be difficult to hope for changes to take place in North Korea.

On the other hand, even though the Soviet Union is an ally of North Korea it has been deprived of its leadership since it did not have an independent policy toward the

Korean peninsula. Moreover, North Korea does not support Gorbachev's new policy altogether. He was asked what the most desirable method would be to achieve reunification given the current situation. He said, "Internally, it is urgent for North and South Korea to hold constructive dialogues and through this both sides must make compromises. It is also urgent for North and South Korea to restore mutual understanding and trust. Externally, pressure must be put on the four powers—the United States, Japan, China, and the Soviet Union—surrounding the Korean peninsula, so that they realize the fact that if reunification between North and South Korea is not achieved, this will be a great misfortune. For example, one method to reunify North and South Korea is cross-recognition of Korea by the Soviet Union and China and cross-recognition of North Korea by the United States and Japan."

Soviet Official Gives Interview on Relations

SK1206060390 Seoul CHOSON ILBO in Korean 9 Jun 90 p 2

[Report on interview with Yuriy Kuznets, member of the CPSU Central Committee (name, title as published), by reporter Wang Sang-han on 8 June at Sheraton Walker Hill Hotel, Seoul]

[Text] "Soviet media printed only brief reports on the summit meeting between the leaders of the ROK and the USSR in the United States. All the Soviet people, however, know well why such a profoundly significant event as summit talks between the leaders of the two countries has been reported so briefly at this juncture and how historically significant this event is."

Dr. Yuriy Kuznets, 59, member of the CPSU Central Committee, arrived in Korea at 1300 on the afternoon of 8 June by chartered Soviet plane to attend an international symposium on the theme of "Changes in Socialism and Its Prospects." The symposium is sponsored by Ulsan University's Institute for Social Sciences, director Kim Kyu-taek, and it runs from 9-11 June at the Sheraton Walker Hill Hotel in Seoul. Kuznets commented that the summit talks in San Francisco will serve as a major watershed, not only for improving the ROK-USSR bilateral relations, but also for peace in the world.

"I believe the Korean people would understand well how difficult a decision it was for us to make, we who have long maintained friendly relations with North Korea. North Korea, which keeps itself in isolation, would have found our open-door policy to be totally unacceptable at this juncture. I am convinced, however, that North Korea will sooner or later ride the enormous waves rolling toward East-West reconciliation."

Describing the global reconciliation, a breakaway from the cold war structure, and positive exchanges as a reflection of the ardent aspirations of the people throughout the world for peace, Dr. Kuznets said that mutual understanding between the two peoples is most important when it comes to ROK-USSR relations.

"In the past, the two countries had difficulties because they did not know each other very well. However, the Korean people should understand how sincere our side was and what risks our side took by agreeing to summit talks—North Korea's rebellion and worsened relations with that country. In particular, the Korean people should not have misgivings about the Soviet side's goodwill because of the relatively cooler attitude toward the summit meeting than that of the ROK."

Conscious of the Korean news organizations' criticism about the impression that the just-concluded summit meeting was one-sided in terms of its procedures and forms, Dr. Kuznets urged the Korean people to take into consideration the stand of the Soviets who must keep North Korea in mind.

"The state of division on the Korean peninsula is the legacy of the cold war era. When our bilateral relations are normalized, I believe it will be possible to examine the position and policy of the ROK and the situation on the Korean peninsula as a whole. What must be done in addition to this is to persuade North Korea to come to the negotiation table as another party responsible for the situation rather than to isolate it." Mentioning the fact that the Soviet Union, which has supported only North Korea, has changed its attitude and has begun to listen to what South Korea has to say and hold dialogue with it, he asked if it is not a step forward toward peace on the Korean peninsula.

"President Gorbachev is regarded as a creative person who has initiated the opening of a new order in the world, including an end to the cold war. When the bilateral relations are developed to the satisfaction of the two countries, I think it is quite possible for President Gorbachev to visit Korea in the near future."

Arguing that President Gorbachev's perestroyka enjoys the absolute support of the people, Dr. Kuznets explained the recent trend in the East European socialist countries, including the Soviet Union, to introduce a market economy. "I think that ideology is the "belt of consensus" of the contemporary citizens. In this context, communism today is clearly in a "crisis." Nevertheless, perestroyka cannot be said to be a "repudiation" of communism. Perestroyka is an effort to institute a new system, that is to say a market-oriented economy, in order to overcome an economic crisis while keeping alive the true spirit of socialism, the goal of which is to provide all the people with happiness."

After explaining the recent changes in the socialist countries, Dr. Kuznets predicted that the socialist countries will develop a mixture of market-oriented economy and national economy. "Recently, Soviet academic circles have shown growing interest in South Korea's social sciences. Since their knowledge of Korea has been confined to that of North Korea, they have found it necessary to study the issues concerning the Korean peninsula from a different angle.

This is an expression of their effort to make an objective assessment of the Korean peninsula, not a unilateral one. Judging from this, I am convinced that the ever-increasing academic exchanges between the two countries is very profitable for each side." Citing the distortion and misunderstanding between the North and South generated by the division as tasks to overcome at the earliest possible date, Dr. Kuznets repeatedly said that the most important thing for the two peoples is to understand the other side well through much more frequent exchanges and dialogue. "Our country's economic problems are serious. This is one area in which we really need assistance from the ROK."

Saying that making new friendships always makes neighbors jealous, Dr. Kuznets said, with a bright smile, that he hoped that since nations have something to give to others and something they need from others, the ROK and the USSR would be able to develop their bilateral relations as good neighbors through mutual assistance.

Dr. Kuznets, also a professor at the Soviet Academy of Social Sciences, is scheduled to give a lecture on the theme of "Perestroyka in the Soviet Union—Its Political and Economic Aspects" at the international symposium. Following that, he will look around the industrial facilities in Ulsan and return home on 15 June by the chartered plane.

North's Rejection Dampens Reunification Hopes

SK1406055090 Seoul YONHAP in English 0523 GMT 14 Jun 90

["News analysis" by Pak Chung-chan: "North Korea Throws Chill on Hopes for Peaceful Reunification"]

[Text] Seoul, June 14 (YONHAP)—North Korea's virtual rejection of inter-Korean dialogue on Wednesday, though embroidered with rhetoric and logic, is likely to bring a discouraging chill to the fervor for peaceful reunification in South Korea. Euphoria in Seoul over easing tension on the Korean peninsula resulted from President No Tae-u's meeting with President Mikhail Gorbachev, leader of Pyongyang's traditional ally, in the United States on June 4. North Korea, which quickly denounced the Seoul-Moscow summit as a scheme to perpetuate the division of Korea, lost no time in making a mockery of hopes for a thaw in Northeast Asian tensions.

In telephone messages to the South's chief delegates to the preparatory meeting to arrange inter-Korean parliamentary talks and a prime ministers' conference, Pyongyang made it clear that it will not resume contact with Seoul. Pyongyang also rejected the inter-Korean summit talks repeatedly suggested by Seoul.

All channels of inter-Korean dialogue were closed by the North earlier this year to protest the South Korea-U.S. "Team Spirit" military drill. In recent years, the North's rejection of dialogue around the time of the annual exercise came with clockwork regularity and the South was expecting contact to be reopened sooner or later.

Pyongyang said: "As long as one side (Seoul) pursues an anti-communist and confrontational policy with a sectarian stance, a top-level meeting cannot occur. Even if such a meeting were to take place, there would be nothing to gain from it."

Analysts in Seoul say Pyongyang's refusal to sit down at the conference table was prompted by the No-Gorbachev meeting in San Francisco, noting that North Korea showed willingness to resume talks in President Kim Il-song's address to the Supreme People's Assembly on May 24. Pyongyang got tough after the Seoul-Moscow summit talks, which Gorbachev pretended was a casual encounter in deference to North Korea. No and Gorbachev exchanged views on opening up North Korean society, setting up a No-Kim summit meeting and South Korea's admission to the United Nations.

The analysts here regard Pyongyang's harsher-than-expected response to the Seoul-Moscow summit, resulting in the rejection of dialogue, as having several reasons. The rapid rapprochement between Seoul and Moscow is presumed to make Pyongyang feel isolated on the diplomatic scene and concerned at losing the initiative in resolving the Korean question. The prospect of South Korea opening diplomatic ties with China, another staunch ally, also makes Pyongyang nervous as relations between Seoul and Beijing are expected to improve on the occasion of the Beijing Asian games in September. Through an expression of strong opposition by threatening all forms of dialogue, Pyongyang might be trying to slow down the process of Seoul-Moscow normalization and drive a wedge between Seoul and Beijing.

Pyongyang also appears to be afraid that the rapid changes surrounding the Korean peninsula might trigger a crisis for the North Korean regime. Discontent over the transfer of Kim's power to his eldest son, Kim Chong-il, could grow and reforms in East-bloc nations could be repeated by the changing outside environment, including exchanges with the South. The North seems to need a measure of tension for internal unity, and resuming dialogue with Seoul might have the opposite effect.

The rejection of dialogue must also be seen in light of its influence on anti-government and dissident groups in the South, and some experts say the North's telephone message on Wednesday was designed to encourage these elements to fight against separate admission to the United Nations and for scrapping the National Security Law.

If the North intends to use the refusal as leverage against global changes, it is likely to find itself in a losing game. It is hard to believe the global changes will let North Korea remain a hermit kingdom for good and there is a limit to how long it can swim against the stream.

The discouraging telephone message from the North will delay a full-fledged discussion of the Korean question for some time, but not for good. The South is being pressed to find proper ways to take the North down the path for detente. The South also needs to remember the indications that efforts solely for improving relations with powers surrounding the Korean peninsula cannot be a short-cut to peace in this part of the world.

Paper Criticizes PRC Proposal, Calls for Ties

SK1306053090 Seoul HANGUK ILBO in Korean 12 Jun 90 p 2

[Editorial: "China's Disappointing Attitude"]

[Text] For us who have lived in a state of division for nearly half a century, nothing is more shocking than the attempt to break away from the cold-war structure. This is why the collapse of communism in East Europe was more shocking to our people than to any other people in the world. It is, therefore, natural for us to become excited by the encounter in San Francisco.

It is also necessary for us to see in a cool-headed manner the fact that the cold-war structure on the Korean peninsula is in the process of collapsing, but not in a way that satisfies our impatient desire. It must be remembered that not only Seoul-Beijing relations, but also Seoul-Moscow relations will be slow in coming given Beijing-Pyongyang relations and the domestic situation in China following the Tiananmen incident, and one must be endlessly patient while awaiting their arrival.

Seoul-Beijing relations, which were thawing since a hijacked Chinese passenger plane made an emergency landing in our country years ago, had seemed to be rapidly gathering speed in the wake of the 1986 Asian Games. However, with Beijing-Pyongyang relations improving in the wake of the Tiananmen incident, Seoul-Beijing relations again began to cool. While Moscow-Seoul ties have developed to the point of exchanging consular departments, Beijing-Seoul relations have stagnated. This notwithstanding, there is a possibility that the Asian Games will serve as a stepping stone for developing Seoul-Beijing relations, and our own one-sided wishful thinking is not the only evidence for such a thing occurring. The participants in April's Moscow meeting between the Chinese and Soviet foreign ministers agreed to call on North and South Korea to hold talks for the sake of detente on the Korean peninsula.

A Chinese Government spokesman, commenting on the ROK-USSR summit meeting in San Francisco, is reported to have indirectly welcomed the summit, saying, "Anything that is helpful in promoting a North-South dialogue and easing tension on the Korean peninsula is welcome."

Contrary to moves that encourage us to be optimistic and hopeful, China reportedly has put forward a very disappointing proposal to us. China is reported to have suggested that the two countries open trade missions in Seoul and Beijing to prepare for September's Asian Games in Beijing and use these trade missions to handle "limited consular affairs, including the issuance of visas."

This suggestion by China must be construed as being too passive, especially considering the pace of development in ROK-PRC relations, which, in 1989, secured an estimated annual trade volume of $3.1 billion. Moreover, if China, as it claims, really wants to promote dialogue between North and South Korea and ease tensions on the Korean peninsula, the Chinese proposal for the exchange of trade offices, which does not call for official trade missions or official consular offices, is unacceptable.

China, which had opened exchanges with the ROK even before the Soviet Union, has begun retreating since the Tiananmen incident, and this turnabout can be said to be a byproduct of China's domestic political situation. In the long run, however, we are optimistic that China will eventually come to develop its ties with us. Breaking away from the cold-war structure is a great irresistible trend that has nothing to do with China's domestic situation, and this trend is expected to change the international political order in Northeast Asia. If for no other reason than to promote a North-South dialogue and ease tensions on the Korean peninsula, China should not hesitate, even belatedly, to establish official consular ties with the ROK equal to the level of ties existing between Seoul and Moscow.

U.S. Institutes Agree To Exchanges With North

SK1206042090 Seoul HANGUK ILBO in Korean 12 Jun 90 p 1

[Reporter Song Mi-nan from HANGUK ILBO's branch office in New York]

[Text] On 11 June, a source within U.S. academic circles revealed that the United States and North Korea are working out a permanent academic exchange program, including the exchange of arts and sciences materials, the exchange of scholars, and joint sponsorship of seminars. This source also noted that major research institutes for Korean studies within the United States currently are carrying out detailed and concrete plans to push ahead with multifaceted academic exchanges between the United States and North Korea, including the formation of committees for such exchange.

According to Dr. (Stephan Lintern), deputy director of the Research Institute for Korean Studies at Columbia University, North Korea last month agreed to a plan to promote academic exchanges with the United States. Thus, an agreement was reached between American universities and North Korea on a permanent exchange program. Dr. (Lintern) visited Pyongyang in late May, together with (Nick Everstent), a researcher from the American Enterprise Research Institute at Harvard University. They discussed academic exchange plans with representatives of major artistic and scientific organizations in North Korea. They recently returned home.

It has been learned that the U.S. State Department pledged active support and cooperation for programs to promote exchanges between academic organizations of the two countries.

U.S. Pressure on ROK-SRV Ties Assailed

SK1406052590 Seoul HANGYORE SINMUN in Korean 14 Jun 90 p 2

[Editorial: "It Is the ROK's Sovereign Right to Establish Diplomatic Relations With Vietnam"]

[Text] The report that the United States has applied a powerful brake on Korea's efforts to establish formal diplomatic relations and expand economic exchange with Vietnam discloses that the "northern policy" being promoted by the government has its limits. On 12 June, a government official said that "the United States has requested that our government exercise self-restraint in political and economic exchanges with Vietnam for the purpose of settling the Cambodian issue at the earliest possible date." He also said that Korea and Vietnam have issues to resolve between them before improving their bilateral relations, but "the U.S. stand is the greatest stumbling block on the road."

Despite the absence of formal diplomatic ties between them, Korea and Vietnam have continued expanding exchanges. As a result, over 1,000 people have visited between the two countries and the level of trade between them reached $70 and $80 million in 1989 alone. Korea is the fifth largest among Vietnam's non-communist trading partners. With the trade volume between Korea and Vietnam rising steadily since the mid-eighties, businessmen in both countries began to call for economic cooperation and for an expansion of investment. If for no other reason than to meet such calls, the two countries find it necessary to establish formal diplomatic relations. However, because of the U.S. policy of "imposing an economic embargo against Vietnam" Korea has had no choice but to rely on third countries in continuing trade with Vietnam.

Solomon, U.S. Assistant Secretary of State for Asian and Pacific Affairs, said during his visit to Korea last May that Korea "should refrain from conducting contacts with Vietnam until the Cambodian issue is resolved." The United States has been trying to achieve its policy goal by intensifying its political and economic sanctions against Vietnam, the country that extends the greatest assistance to the present regime in Cambodia, which is marking its 11th year of civil war. This seems to be the objective behind the U.S. call for Korea to restrain its diplomatic efforts toward Vietnam. Now, when Korea is trying to establish diplomatic relations with Vietnam 15 years after the end of Vietnam war in which it participated under U.S. pressure in 1965, the United States is again putting the pressure on, saying that Korea "should restrain its effort to conduct contacts with Vietnam."

It is not just in Vietnam where Korea's northern policy is being checked by the United States. With the trade volume increasing between Korea and the Soviet Union over the past few years, the United States asked Korea to abide by the rules stipulated in the regulations of the Coordinating Committee for Export to Communist Area [Cocom] in the course of conducting trade with communist countries, demanding that Korea write a "memorandum of understanding." During the peak time of the U.S.-Soviet cold war, about 400 items were banned to be exported to communist countries. However, the list has now shrunk to 163 since the ice began to thaw between the two countries in the eighties. Some of the member states are increasingly critical of the organization, arguing that it is an outdated organization given the changes in the East European countries and the global trends moving toward detente.

A U.S. call on Korea to restrain its contact with Vietnam or to abide by the Cocom regulations, when Korea is not even a member state of that organization, is clearly an infringement on Korea's sovereign rights. The government should carry out its own independent diplomatic policy on the basis of its national interest, not in U.S. interest.

Lucky, U.S. Company Venture in USSR Reported

SK1306020690 Seoul YONHAP in English 0152 GMT 13 Jun 90

[Text] Seoul, June 13 (OANA-YONHAP)—Lucky Development Co. of South Korea will set up an electronics plant and a business complex in Leningrad in a 380 million-U.S.-dollar joint venture with a Soviet company and Bechtel Corp. of the United States, a company spokesman said Wednesday.

Lucky, a subsidiary of the Lucky-Goldstar Business Group, Bechtel and Izhorsky-Javod will soon form a joint-venture company for the two projects in the second largest Soviet city, he said. The projects cover a factory costing 33 million dollars to manufacture washing machines, vacuum cleaners, irons and other electronic home appliances, and a business complex containing a hotel, apartments exclusively for foreigners and a shopping center, the official said.

In building the 23,000-square-meter factory, Lucky will set up the production lines, providing electronics parts and technology, Bechtel will provide engineering, management and financing know-how and Izhorsky Javod will provide the land and domestic marketing, the official said. The business complex will cover about 110,000 square meters of land and cost 350 million dollars.

The electronics plant is expected to start production next February and its output will be sold solely in the Soviet Union, the official said. The three companies have also agreed to seek joint ventures in other Soviet cities, according to the official.

Analysts Urge Caution in Trade With USSR

SK1306035890 Seoul THE KOREA HERALD in English 13 Jun 90 p 8

[Editorial: "Wary Approach to Soviet Trade"]

[Text] The nation's business community finds itself in a dilemma in the wake of the epochal meeting between President No Tae-u and Soviet President Mikhail Gorbachev in San Francisco last week. The dilemma stems from heightened expectations for brisk economic cooperation with the Soviet Union to be tempered by a counsel of caution.

Fresh investment in and increased trade with the Communist giant to the north are necessary and desirable for the mutual benefit of the two countries. The ripening chances for diplomatic normalization and the wave of the times for detente and economic internationalization go in tandem. Both the government and private industries see eye to eye with regard to the primary need for a significant, though gradual, boost in the trade and technical ties between Seoul and Moscow at this time of warming relations.

In the meantime, a voice of warning and advice to remain cautious is being heard from analysts, and their argument against taking heavy risks is substantiated by the latest developments in the overseas trade picture of the Soviet Union.

It was reported this week that the Japanese government will refuse to provide insurance for trade with the Soviet Union unless Soviet authorities guarantee payment for Japanese products with letters of credit. The step to ease commercial risk was taken because some Soviet public corporations have delayed payment for Japanese imports. Japan's four major steel companies have suspended production of pipes intended for supply to the Soviet Union pending settlement of payment. Britain and France are enforcing similar measures to ask the Soviet Bank of Foreign Economic Affairs to issue letters of credit to guarantee payment. The Soviet Union has reportedly failed to pay $1.5 to 2 billion it owes for goods shipped by Western countries. It is known to owe Korea more than $30 million for Korean exports. What is more important than the old arrears is the prospect of future insolvency.

Obstacles to foreign investment in and trade with the Soviet Union include the inconvertibility of the Soviet ruble, its vast foreign debt, a shortage of hard currency, and unfavorable commodity transactions and financial settlement arrangements peculiar to a socialist economic system. These bad conditions are complicated by internal unrest and the bureaucratic inefficiency in Soviet society.

Reasonable agreements for the protection of investors and prevention of double taxation are essential to nurture sound Korea-Soviet trade relations. In dealing with Moscow, local enterprises are advised against rushing headlong to compete among themselves. A most discreet and cool-headed approach is in order now.

Bank Reports on Investing in USSR, East Bloc

SK1206021490 Seoul THE KOREA HERALD in English 12 Jun 90 p 6

[Text] Korean enterprises should secure letters of credit (L/Cs) or payment guarantees extended by the Bank for Foreign Economic Affairs of the USSR when they export goods to the Soviet Union in order to prevent possible losses related to trade, the Export-Import Bank of Korea (Eximbank) said yesterday. In a report analyzing recent financial and economic conditions in Eastern European countries, the Eximbank said Korea's financial support to the Soviet Union should be made discreetly and selectively when considering the Communist country's worsening economic climate.

A 12-member research team, headed by Yi Sun-ho, director-general of the Overseas Investment Research Institute affiliated with the Eximbank, worked out the report after conducting a spot market survey on the Soviet Union, Bulgaria and Czechoslovakia May 5-21.

The report said the Soviet Union's delayed payments for imports from foreign countries are currently estimated at some $1.5 to 2 billion, including $600 million to West Germany and $200 million to Japan. A major cause behind the Soviet Union's huge amount of delayed payments is a shortage of hard currency and Soviet firms' reckless import policies, according to the report. In fact, the Eximbank said, the Soviet Union has a considerable external payment ability with its assets prepared for external payments of $51.3 billion against its external borrowings of $51.8 billion at the end of 1989. However, the Soviet Union possesses over 60 percent of its assets prepared for external payments in the form of gold, resulting in a shortage of foreign currencies, the report pointed out.

In the meantime, the Eximbank plans to set up a representative office in Moscow in June or July in a bid to help Korean companies advance into the Soviet Union, an Eximbank spokesman said.

The Eximbank report also said trade and economic cooperation between Korea and Bulgaria is expected to increase further in the near future thanks to the Communist country's reform policy toward the opening of its market. In particular, joint ventures between Korean and Bulgarian business concerns seem to be desirable in the fields of food processing, petrochemicals, telecom, car assembly, shipbuilding and fisheries, the report said. On investments in Czechoslovakia, the Eximbank said, Korean companies are required to export a small quantity of commodities to the country on a deferred payment basis, for the time being rather than engaging in large-scale investment projects as an uneasy social and political environment still exists in Czechoslovakia.

Samsung Admits Soviet Deal Violates Cocom

SK1206005090 Seoul THE KOREA TIMES in English 12 Jun 90 p 9

[By Zeno Park]

[Text] Seoul (AFP)—South Korean's Samsung Electronics Co. acknowledged Saturday that its planned sale of digital exchanges to the Soviet Union violated Western controls on exports of high technology to Eastern Europe. Samsung announced last month it had reached agreement with the Soviet Union to export and jointly produce its time digital exchange (TDX) systems, a high-tech telecommunications device capable of sending both data and sound.

"A part of the TDX violates Cocom [Coordinating Committee for Multilateral Export Controls] regulations," said Song Chae-sam, spokesman of the country's leading electronics company, referring to the 17-nation Coordination Committee for Multilateral Export Controls. "That is a 32-bit micro processor," he said.

He said there was little possibility, however, that the deal, worth billions of dollars, might be scrapped because of the Cocom regulations. "We expect that the Cocom rules will be eased enough before the shipment of the products takes place in one and a half years," he said.

South Korea is not a member of Cocom but has agreed to observe Cocom regulations under a bilateral agreement with the United States. Cocom, which includes all North Atlantic Treaty Organization members except Iceland, plus Australia and Japan, was created after World War II to prevent the Soviet Union and its allies from obtaining high technology with military implications from the West.

In a meeting in Paris on Thursday, officials of Cocom reportedly agreed to lift restrictions on 30 items starting from July, leaving 86 items in the ban list.

Song said Samsung had numerous discussions with the Soviet side on the possibility of the deal's breaching Cocom regulations. "We agreed to carry out the deal within the limits if the restrictions are not lifted by the time of shipment," he said. He did not go into details but industry sources said that joint development of the same type of products could be a way of bypassing Cocom regulations.

Officials at the Trade and Industry Ministry said the government had no immediate plans to look into whether the deal violated Cocom rules. "Frankly speaking, we have no expertise yet to judge what part (of the deal) is against the Cocom," an official said on condition of anonymity. "The government is not yet prepared to enforce the Cocom regulations," he said. He added that "no export deal has yet been blocked by the Cocom in this country."

The agreement reached between the major subsidiary of the country's giant Samsung Business Group and the Soviet Telecommunication Ministry calls on Samsung to export and jointly produce with the Soviet firm up to 30 million TDX lines.

The Soviet Union will provide Samsung with unspecified techniques related to satellite communications. Samsung will also export telecommunications equipment including facsimile and car phones worth 100 million dollars each year under the agreement. Joint development of fibre optic cables and fibre optic transmission systems were also agreed upon.

Song said Samsung's "estimate that the deal is worth 12 billion dollars is based on the assumption that the Soviet Union needs an estimated 30 million lines over the next five years, which would cost 12 billion dollars in total." Samsung will send 2000 TDX lines for testing to the Soviet Union in 18 months. "The amount of export and the proportion of joint development will depend on the testing results," he said.

Embassies Open in Bulgaria, Romania, CSFR

SK1406072690 Seoul YONHAP in English 0720 GMT 14 Jun 90

[Text] Seoul, June 14 (YONHAP)—South Korea opened embassies in Bulgaria, Romania and Czechoslovakia on Wednesday, the Foreign Ministry said Thursday.

Pang Pyong-chae, Chae Su-tong and Choe Song-ho were sent to Bulgaria, Romania and Czechoslovakia, respectively, as charge d'affaires on June 8 and began their work Wednesday. Kim Chwa-su, Yi Hyon-hong and Son Chun-yong, ambassadors to Bulgaria, Romania and Czechoslovakia, will be dispatched in the near future, it said.

728 Athletes, Officials To Attend Beijing Asiad

SK1306014490 Seoul THE KOREA HERALD in English 13 Jun 90 p 11

[Excerpts] South Korea will send a delegation of 728 athletes and officials involved with 28 sports, its biggest ever athletic group sent abroad, to the Beijing Asian Games this September.

According to a Korean Olympic Committee (KOC) preliminary entry sent to the Beijing Asian Games Organizing Committee (BAGOC), 340 Korean men and 232 women athletes, led by 156 officials, will be fielded in 26 regulars—all but Kabaddi—and two demonstration sports—baseball and soft-tennis—at the Beijing Asian Games Sept. 22-Oct. 7. The delegation will be the largest South Korean participation in international sport events abroad. [passage omitted]

Even taking into account the possible changes in its final entry, the delegation is expected to number at least 700.

Soviet Koreans To File Claims Against Japan

SK1206020690 Seoul THE KOREA HERALD in English 12 Jun 90 p 3

[Text] Tokyo (YONHAP)—Korean residents in the Soviet Union will claim compensation for their forced migration from Far Eastern areas to Central Asia shortly before World War II, a senior member of the Association of Korean Residents in the Soviet Union said here Saturday.

Vladimir Yi, vice chairman of the association, said in an interview with KYODO News Service that the Moscow-based association also plans to file suit against the government for property damage and physical injuries during the migration. According to Yi, an estimated 300,000 Koreans were forcibly taken to Central Asia from the Far East from 1937 through 1939 under the rule of dictator Joseph Stalin who had fears that the minority might rebel during the war.

New Commander Promises Stronger Ground Forces

SK1206011490 Seoul THE KOREA TIMES in English 12 Jun 90 p 3

[Text] Gen. [General] Yi Chin-sam, new Army chief of staff, has said that he would exert his personal utmost to help build the Army as a stronger ground force with a strong sense of mission.

The mission is aimed primarily at safeguarding peace on the peninsula by effectively crushing any challenge whatsover—from within and without—against the free and democratic nation.

Gen. Yi, former commanding officer of the ROK First Army, made the remarks at the change-of-command ceremony held yesterday at the Kyeryongdae Integrated Military Complex South of Taejon, Chungchongnam-to.

Korean Air, Boeing Make 'Biggest Plane Deal'

SK1206012490 Seoul THE KOREA TIMES in English 12 Jun 90 p 3

[Text] Korean Air (KAL) yesterday announced that it will sign a contract with Boeing Commercial Airplane Group today for the purchase of 23 widebody Boeing 747-400 jets worth $4.07 billion, the biggest plane deal ever made in Korean aviation history. The planes, each priced at $170 million, will all be delivered by 1999. Then, KAL will have a total of 34 Boeing 747-400s.

Burma

BBC Interviews NLD Spokesman U Kyi Maung

BK1206033590 London BBC in Burmese to Burma 1445 GMT 11 Jun 90

[11 June telephone interview by U Aung Myint Tun of the BBC Burmese Service with U Kyi Maung, spokesman for the National League for Democracy—recorded]

[Text] [U Aung Myint Tun] The Elections Commission in its latest announcement yesterday announced that the National League for Democracy [NLD] has won 251 seats. Is that true?
[U Kyi Maung] Yes, it is true.

[U Aung Myint Tun] That was the announcement from the Elections Commission. How many assembly seats has the NLD won according to your own count?
[U Kyi Maung] Three hundred ninety-seven, counting ours and the seats of our two allied parties.

[U Aung Myint Tun] The NLD has a parliamentary majority according to both the Elections Commission and your own count. So what does the NLD have to say on the issue of holding discussions on the transfer of power?
[U Kyi Maung] We believe it is necessary to sit down at the table with the SLORC [State Law and Order Restoration Council] Government for negotiations.

[U Aung Myint Tun] So, what plans do you have for such negotiations, or are they already being held?
[U Kyi Maung] No, not yet. However, we will have to approach the SLORC on the matter of negotiations.

[U Aung Myint Tun] So, the NLD has decided to make the approach?
[U Kyi Maung] Well, you can say that.

[U Aung Myint Tun] In holding discussions, do you have plans to discuss the draft constitution.
[U Kyi Maung] I believe that will be included.

[U Aung Myint Tun] According to what we hear, the NLD is drafting a constitution. At what stage is it now? Has it been completed?
[U Kyi Maung] We have absolutely no problem about completing this.

[U Aung Myint Tun] So you have completed the drafting?
[U Kyi Maung] That is correct.

[U Aung Myint Tun] When do you plan to begin talks with the SLORC?
[U Kyi Maung] (?We just cannot plan on our side alone). It will be possible only if the other side is prepared.

[U Aung Myint Tun] I understand what you say about the constitution, but when do you plan to sit down and talk with SLORC?

[U Kyi Maung] It is true that we want to meet them. We do not know when they can give us time. We have not even drafted a letter on the matter.

[U Aung Myint Tun] So it implies that you will decide only after you have been approached by SLORC.
[U Kyi Maung] Yes.

[U Aung Myint Tun] Other than holding talks with SLORC, what kind of plans and programs does the NLD have? Can you tell us about these, if there are any?
U Kyi Maung] There are many.

[U Aung Myint Tun] Can you tell me?
[U Kyi Maung] We have worked according to (?our plan). We have policies. We have to think of many things regarding details of the (?policies contained in the manifesto).

[U Aung Myint Tun] We have learned that the NLD Executive Committee has been meeting daily. Is it true? What kind of programs do you have on the release of Tin U and Daw Aung San Suu Kyi.
[U Kyi Maung] Our wish is for their immediate release. However that is not yet a matter that can be decided by us.

[U Aung Myint Tun] This matter is likely to be discussed and negotiated at the face-to-face talks, is it not?
[U Kyi Maung] Yes.

[U Aung Myint Tun] I have asked the questions I wanted to ask. What would you like to say on behalf of the National League for Democracy? What would you like to say to the country through us? If you have anything, please tell us. We will listen.
[U Kyi Maung] In recent days we have found many documents in circulation attacking us by way of accusations against (?him) and (?infighting) among us. We find some people are doing these things anonymously or as imposters. We are very unhappy about this.

[U Aung Myint Tun] Were these documents produced to make other people misunderstand the National League for Democracy?
[U Kyi Maung] They are fakes aimed at confusing people and giving the impression that there is no unity among us. So far, we have not (?responded). However, things like this should not happen. When the time comes for us to complain to the authorities, we shall do so. We are carefully watching and studying the dissemination and production of these documents.

[U Aung Myint Tun] How is unity in the National League for Democracy?
[U Kyi Maung] Our situation is that we have nothing special to say on the solid mandate the entire country gave us at the elections.

[U Aung Myint Tun] So far, 251 seats have been won. When do you estimate the Central Elections Commission will give the complete elections results?
[U Kyi Maung] They should be completed in about 10 days, I think.

[U Aung Myint Tun] So, do you think negotiations and face-to-face talks with the government will take place about that time?
[U Kyi Maung] There is reason to believe that might be the case because such a matter of great importance should not be ignored.

[U Aung Myint Tun] Thank you very much for answering my questions.

U Kyi Maung Rejects Rumors of Rifts in NLD

BK1306163290 Hong Kong AFP in English 1616 GMT 13 Jun 90

[Text] Rangoon, June 13 (AFP)—Leaders of the National League for Democracy (NLD) rejected as "absolute rubbish" Wednesday rumours of internal rifts, as the latest official election results showed a growing landslide for the party.

NLD Spokesman U Kyi Maung also said after a three-hour daily party executive committee meeting that the NLD was "waiting for an opportune moment" to begin talking to the ruling military junta about a hand-over of power. Mr. Kyi Maung brushed aside widespread rumours of major splits [illegible] the NLD as "absolute rubbish."

"What kind of logic is it to say that we are split when we are on the very threshold of success," he told AGENCE FRANCE-PRESSE. "It was not easy to unify, within 10 months, disparate forces. We decided on a low profile. It has paid off," he said.

The spokesman said the NLD had become a headless body when its leaders were detained. Aung San Suu Kyi, daughter of a Burmese independence hero and the secretary of the NLD was put under house arrest last July for "endangering the state" while chairman Tin U, a former army general, was sentenced to three years' hard labour.

Mr. Kyi Maung said rumours of splits within the NLD and slander against Ms. Aung San Suu Kyi had started again immediately after the May 27 elections. He attributed them to elements "who harboured ill-will towards the NLD," but did not elaborate.

He dismissed rumours circulating widely in Rangoon of rifts among the youthful members of the NLD, as well as talk that former military officers were taking a dominant role. "We have made it clear that the moment Aung San Suu Kyi is released, we will hand in our resignations and let her take over," said Mr. Kyi Maung, a former army colonel.

Analysts said the flexible position taken by the NLD leaders appeared to be a sign of confidence. "At least the youth wing within the NLD is behaving well although they show signs of impatience at NLD's slowness to come to grips with the process of power transfer," one senior diplomat commented. Mr. Kyi Maung said the process of handing over power would be time-consuming. "If continuity is to be achieved we must have access to all prevailing situations" affecting the country, Mr. Kyi Maung said. "We feel we need to know about these things."

The latest official count broadcast over the state radio Wednesday showed the NLD winning 315 seats out of 359. Election commission sources said the final results should be known by June 23. The NLD is expected to win around 400 of the possible 485 seats.

"We are on a slow boat to China," Mr. Kyi Maung quipped but expressed reluctance to rush the transfer of power issue "as the situation is very delicate." Mr. Kyi Maung said the NLD was prepared to meet the ruling junta, which calls itself the State Law and Order Restoration Council (SLORC) "even now," but conceded that the SLORC had "set an agenda and would stick to it." The NLD was "waiting for a good time" to broach the subject of dialogue with the SLORC, the spokesman said, and indicated that time would be when the final returns are officially announced.

Khun Sa Reportedly Ready To Talk With Rangoon

BK1306035590 Bangkok THE NATION in English 13 Jun 90 p 2

[By Yindi Loetcharoenchok in Mae Hong Son]

[Text] Opium warlord Khun Sa is ready to enter negotiations with Rangoon to eradicate the drug from Burma's Shan State, his close aide said. The United States had rejected a similar offer to eradicate opium production in his Shan State provided that Washington financed some $300 million for his programme. If President Bush was serious in wiping out the opium but did not want to make direct contact with Khun Sa, he could do it through any government in Rangoon and Khun Sa "promises that in matters concerning Shan opium, he is willing to follow orders from Rangoon which means through some negotiations," said Khernsai Jaiyane.

Khernsai, chief liaison officer for Khun Sa's Tai Revolutionary Council, did not state what his boss would demand from Rangoon in return for the programme. But Khun Sa has repeatedly proclaimed that he and his 2,000 troops were fighting for the independence of the Shan State. Khernsai said Khun Sa was also ready to face any charge against him at "the World court" but not "in US courts," provided that his security be guaranteed. "They (the United States) can impose their own law on us," he said, adding that Khun Sa, like any other person, "wants to have a clean livelihood."

If Washington did not want to pay for the eradication programme, it "should leave us alone," he said adding that some 60 per cent of the 8 million people in Shan State were making a living from opium. The United States should also urge its people not to buy the drugs the same way it had forbidden them to buy fish, logs and natural products from Burma, he said. He claimed that

Khun Sa, who was indicted on narcotic charges by Washington in March, only collected taxes and protection fees from traders, who passed through his territory, and was not directly involved in the drug business. The eradication programme, said Khernsai, would take a long time and would require a lot of money.

Brunei, Malaysia & Singapore

Malaysia

Pact Signed With Thailand on Mineral Resources

BK3005100890 Kuala Lumpur BERNAMA in English 0906 GMT 30 May 90

[Text] Kuala Lumpur, May 30 (OANA/BERNAMA)—Malaysia and Thailand Wednesday [30 May] signed an agreement to set up a joint authority to administer and share the rich mineral resources in some 7,300 sq km of their disputed waters off Malaysia's northeastern Kelantan state and Songkhla in southern Thailand.

The historic agreement on the constitution and other matters relating to the setting up of the authority was signed by their respective foreign ministers, Abu Hassan Omar of Malaysia and Air Chief Marshal [ACM] Sitthi Sawetsila of Thailand, who flew in this morning for the occasion. Both the ministers and delegations observed a minute's silence as a mark of respect for the late Hussein Onn who was the initiator of the pact 11 years ago when he was the prime minister of Malaysia.

The late Hussein had, with his Thai counterpart Gen. [General] Kriangsak Chamanan, signed the memorandum of understanding on the setting up of a Malaysia-Thailand joint development authority to exploit and share equally the rich mineral resources in the disputed waters. That accord was signed in Chiang Mai in February 1979.

Hussein died in San Francisco Tuesday after two heart operations within six weeks. His body is being brought back Thursday for a state funeral on Friday. "If I am permitted to be a little sentimental, I would have loved to sign the agreement on the establishment of the Malaysia-Thailand joint authority in the presence of our former prime minister, the late Hussein Onn, who together with Gen. Kriangsak, gave birth to the idea of drinking from the same well", said Abu Hassan before signing the pact. "However, as God has willed, he has to leave us just as we are preparing for this ceremony," he added.

ACM Sitthi paid tribute to what he said was the farsightedness of and contribution by the late Hussein. "As our two countries are moving closer toward the fulfillment of the objectives of this MOU [memorandum of understanding], it is with deepest regret that I and my delegation have learned of the untimely passing away of Hussein," he said, and extended his condolences to Hussein's family.

The two ministers also referred to the protracted and arduous negotiations that took place over the 11 years before the agreement could be signed.

Briefing the press on the agreement later, Home Ministry Secretary-General Zainol Abidin Mahmud said the seabed of the common waters is believed to hold about 3.6 trillion cubic feet of gas and a vast potential of oil. The area, a triangle of some 7,300 sq km is about 100 km off Kelantan and 150 km off Songkhla. The concessions are divided into three areas, of which one was given to the American oil company Triton by Thailand and the other to Malaysia's Petronas Carigali. The last area is to be given to Petronas and the Petroleum Authority of Thailand.

Zainol Abidin explained that the agreement would pave the way for the two governments to table a bill in their respective parliaments to implement the Malaysia-Thailand joint authority to administer the JDA [Joint Development Authority]. "It is a very unique authority to administer the common waters... it is like a new country with its own rules and laws," he said, stressing that the authority only covered the seabed mineral resources. The present laws and regulations pertaining to living marine resources were still applicable until they were discussed and worked out by another body, he added.

Tun Hussein Onn Dies; Mahathir Makes Statement

BK2905064290 Kuala Lumpur International Service in English 0600 GMT 29 May 90

[Excerpt] A former Malaysian prime minister, Tun Hussein Onn, passed away at a San Francisco hospital in the United States this morning after two operations within the past six weeks. He was 68. According to his son-in-law, Dr. Yahaya Awang, Tun Hussein died at 7:15 AM Malaysian time following the operations on the heart and gall bladder. He was readmitted to the intensive care unit, ICU, four days ago after another heart attack.

Tun Hussein retired in 1981 after five years as the country's third prime minister. Since then, he devoted most of his time to charity work. One of his projects was the eye hospital named after him.

The prime minister, Datuk Sri Dr. Mahathir Mohamed, has expressed his condolences on behalf of the government to Toh Puan Suhaila and her children as well as other members of the family over the death of Tun Hussein. In a statement issued in Kuala Lumpur this morning, the prime minister and his wife expressed sadness over his death. Dr. Mahathir termed his death as a loss to the nation of a leader and statesman. He said the late Tun Hussein had sacrificed a lot in his services for the country. His sacrifices in the political and administrative fields are a form of inspiration and example to all Malaysians. Datuk Sri Dr. Mahathir stressed that the contributions of Tun Hussein were invaluable. [passage omitted]

Cambodia

Officials Arrested, Suspected of Forming Party

OW1306123890 Tokyo KYODO in English 1224 GMT 13 Jun 90

[Text] Bangkok, June 13 KYODO—At least six, and possibly as many as 50, government and ruling party officials and military officers were arrested in Phnom Penh from late May to early June on suspicion of antigovernment activities, several independent sources said on Wednesday. The rebel officials and officers were arrested on suspicion of trying to form a new political party, the Liberal Social Democratic Party, in an attempt to push Cambodia toward a multiparty system, according to a statement released Wednesday by the U.S. human rights group Asia Watch.

Among the rebel officials and officers were Transport, Communications and Posts Minister Ung Phan, the ministry's chief of planning and statistics Nou Saing Khan, the deputy director of the European and American Bureau of the Foreign Ministry Kan Man, Col. [Colonel] On Sum of the Defense Ministry, and an army officer Lt. Col. [Lieutenant Colonel] Kay Mathury, the statement said.

The Vietnamese-backed Heng Samrin government arrested the rebels after receiving a list of members of the new illegal party from an unnamed group, according to other sources, which added that the Phnom Penh government suspected the party of being linked to agents from international organizations and Western countries.

News of the arrests was broadcast by the Khmer Rouge, one of three resistance groups which have been fighting the Heng Samrin government for over 10 years. A Bangkok-based source with the resistance faction of Prince Norodom Sihanouk, citing intelligence reports from Phnom Penh, said the rebels were suspected of having planned a coup against Premier Hun Sen during his absence from the country to attend Cambodian peace talks in Tokyo on June 4-5. Several East European sources in Hanoi also said the Phnom Penh government has taken the rebels into custody.

Dumas Says France Happy With Tokyo Agreement

BK1406065690 Phnom Penh SPK in French 0358 GMT 14 Jun 90

[Text] Phnom Penh, 14 Jun (SPK)—According to foreign sources, in his letter sent last Friday [8 June] to Hun Sen, chairman of the Council of Ministers and minister of foreign affairs of the State of Cambodia, and to Prince Sihanouk, French Foreign Minister Roland Dumas expressed satisfaction at the accord reached between them to refrain from resorting to the use of force.

The French foreign minister stressed in his letter that France is happy with the positive mood from this meeting and with the signed agreement which constitutes "a step toward peace."

Roland Dumas noted with satisfaction that the two men had expressed in their joint communique the wish for the reconvening of the Paris conference on Cambodia, and confirmed the French Government's willingness to take in due time an initiative in that direction so that chances for the success of such a meeting can be assured.

Also according to foreign sources, the five permanent members of the UN Security Council—the United States, France, Great Britain, the Soviet Union, and China—resumed [ont repris] their discussions on the Cambodian conflict in Paris on 9 July [as received].

Ranariddh Discusses Outcome of Tokyo Talks

BK1306102190 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 13 Jun 90

[Interview with Norodom Ranariddh, personal representative of Samdech Norodom Sihanouk and supreme commander and commander in chief of the National Army of Independent Kampuchea, by unidentified station correspondent; date not given—recorded]

[Text] [Correspondent] I am a correspondent of the Voice of the Khmer [VOK] radio station. Greetings to the prince royal representative. On this occasion, you have allowed me to interview you. I would like to ask the following questions so you can inform the Cambodian compatriots:

First question: What is your view on the outcome of the recent talks in Tokyo? Second question: I would like to ask the prince personal representative to specify the stance of the National Army of Independent Kampuchea [ANKI] and the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] regarding the Tokyo agreement, particularly the proposed voluntary cease-fire.

[Ranariddh] As supreme commander and commander in chief of the ANKI and personal representative of His Royal Highness [HRH] Samdech Norodom Sihanouk, our samdech euv [Sihanouk's popular title], I am honored to receive you, correspondent of our VOK radio station, for this interview following my attendance at the Tokyo talks and the signing of a peace agreement between Samdech Preah Sihanouk and Hun Sen.

First of all, I would like to say that the joint statement of HRH Samdech Norodom Sihanouk and Hun Sen—signed on 5 June by the samdech euv and Hun Sen—does not deal only with a cease-fire. This agreement also talks about reconvening the Paris international conference on Cambodia, and the supervisory role of the United Nations. The supervision of the withdrawal of all foreign forces from our Cambodia as well as the cessation of foreign aid is clearly stated in point 4. This agreement also talks about the setting up of a supreme national council [SNC].

Concerning the cease-fire, I would like to clarify to respected VOK listeners the stance of our ANKI as follows:

1. This cease-fire should be within a definite framework, that is the framework of a comprehensive solution to the so-called Cambodian problem. The issue here is the complete independence and sovereignty of our revered Cambodia, involving UN supervision of the complete withdrawal of Vietnamese troops from our Cambodia and the restoration to our Cambodian state of the territory Vietnam has annexed along the border, such as in Takeo, Kampot, Mondolkiri, and Ratanakiri. The issue of Vietnam's arms caches and hidden Vietnamese troops inside our revered Cambodian state should also be solved. Furthermore, we should discuss reconciliation of the entire Cambodian nation within a framework acceptable to all four Cambodian parties. This is my first clarification.

2. The second clarification is as follows: We, nationalists, have all along clearly stated we do not want bloodshed among Cambodians. We have been trying to avoid shedding Cambodian blood on the battlefield. However, on this issue, we should clearly distinguish between nationalist Cambodians and Cambodians who serve foreign interests, who sell the nation, and who are traitors. On this point, as commander in chief of the ANKI, I will absolutely abide by and implement a cease-fire once an agreement has been genuinely and correctly signed. However, if we examine the 5 June Tokyo joint statement, it is stated that this cease-fire will be implemented after the first meeting of the SNC has been convened. This is the duty and obligation of this council's members, who will meet and adopt modalities [preceding word in French and repeated in English] on a cease-fire. Once the SNC has decided on the date and time of a cease-fire, I solemnly promise that our army, a national army which loves Cambodia, will absolutely implement this cease-fire.

3. I would like to express my third clarification. This cease-fire should absolutely not be implemented unilaterally. As nationalists, we would stop fighting against fellow Cambodians, but what about the over 40,000 Vietnamese troops currently in Cambodia? I am talking about Vietnamese troops hidden in Cambodian forces; they are organized into units and divisions. If these Vietnamese inside Cambodia fire on us, what will happen? [Words indistinct] this cease-fire should be agreed upon by all Cambodian sides. Why do I say this? If only one side agrees to the cease-fire and another side violates it, we will have to resort to our legitimate right of self-defence, legitimate self-defence [preceding two words in French].

It is on this point that HRH Samdech Norodom Sihanouk holds that for a cease-fire to be effective, the international conference on Cambodia should be reconvened in Paris as soon as possible so an international control mechanism [preceding three words in English and repeated in French] can be set up. In other words, this is an international supervisory body under the guidance, direction, and administration of the United Nations in order to invite [?international observers] to supervise the cease-fire and to monitor the presence of foreign troops in our Cambodia, for example the Vietnamese troops. This is the general stance of the ANKI and the FUNCINPEC. I would like once again to specify to beloved and respected VOK listeners that this agreement is a great step toward peace.

By signing this agreement, HRH Samdech Norodom Sihanouk wants to produce for his children inside the country an agreement that provides peace to our Cambodian state and our sacred Cambodia and ends the suffering and disgrace of the Cambodian people, his children. Our samdech euv would sign immediately any agreement of this type. However, the concrete implementation of any agreement should be within a framework which, I stress once again, solves the so-called Cambodian problem, a problem created by Vietnam's aggression against our Cambodian state using a puppet regime propped up in Phnom Penh.

I would like to take this opportunity to stress to the beloved and friendly listeners that HRH Samdech Norodom Sihanouk said in Tokyo that although he has signed the 5 June 1990 agreement, we should not forget that to ensure an effective implementation of this cease-fire, we must invite the United Nations, particularly UN Secretary General Javier Perez de Cuellar, to Cambodia. We should reconvene the Paris international conference on Cambodia. We should implement the Australian proposal which calls for the temporary control of Cambodia by the United Nations and the restoration of the Cambodian people's right to self-determination through a general election under UN control. We should stress again that a solution to the Cambodian problem should be primarily within the framework of the UN Security Council—comprising China, the Soviet Union, the United States, France, and Britain—which is discussing a solution to the Cambodian problem. In particular, the stance of the five superpowers—expressed on 26 May—should be used as the basis for solving the Cambodian problem. [Words indistinct] the Tokyo agreement is a step toward peace and a just solution to the Cambodian problem.

However, in solving the Cambodian problem, we should look for ways to ensure a comprehensive solution to the problem, namely within a UN framework. Let me say it again; this is to be done through the five superpowers, the permanent members of the UN Security Council, as proposed by Australia. In other words, it must be a solution arrived at through the Paris international conference on Cambodia.

[Correspondent] On behalf of the VOK and compatriot Cambodian listeners, I would like to express most profound thanks to the royal representative for providing this detailed clarification.

VONADK Previews Phnom Penh Regime's Fall

BK1406015290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 13 Jun 90

[Text] High and low level officials of Vietnam's puppet regime in Phnom Penh are constantly asking this question: How many more months are there before Vietnam's puppet regime in Phnom Penh falls?

From May to June 1990, low- and high-ranking officials of Vietnam's puppet regime in Phnom Penh have been talking among themselves that in a few months to come the Hun Sen-Heng Samrin regime will fall and about what they, as civil servants of Vietnam's puppet regime, should do to escape from this regime, Vietnam's puppet. Whispers of these questions and answers have constantly been heard in houses, offices, and markets. The question is how many more months will the Hun Sen-Heng Samrin regime last.

This is because these officials clearly realize that:

1. On the military front, the Vietnamese enemy and its puppets and lackeys have been repeatedly defeated and crushed. At the end of September 1989, they were completely defeated in western Cambodia. Since the beginning of 1990, they have been dealt more setbacks inside Cambodian territory. The majority of rural areas are under the resistance forces' control.

2. Economically, the life of civil servants and the people is getting harder because the prices of commodities are sky high. The puppet regime's riel currency is no longer used by 50 to 60 percent of the people in the rural areas. In trading rice and other agricultural produce, the people accept only goods in exchange.

3. The people are even more aware of the nature of the Hanoi Vietnamese enemy aggressors and the territorial annexationists. They have cooperated and carried out all kinds of activities to destroy the Vietnamese enemy in various offices and on the battlefields.

4. Looking at the constant casualties and desertions by hundreds of Cambodian soldiers in Vietnam's puppet regime, people realize there is no point in opposing the Cambodian national resistance forces.

5. In particular, people all over Phnom Penh have recently heard the report that East Europe and the Soviet Union will stop giving aid to Vietnam's puppet regime in Phnom Penh. There will be no more spare parts for mechanical equipment and no more gasoline. East Europe and the Soviet Union will completely end all assistance at the end of 1990.

6. The people have seen that the families of Hun Sen, Heng Samrin, Chea Sim, and other puppet ringleaders have been selling everything and making preparations to flee abroad.

Khieu Samphan Greets Philippine's Manglapus

BK1206020790 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 11 Jun 90

[Text] On 8 June, His Excellency Khieu Samphan, vice president of Cambodia in charge of Foreign Affairs, sent a greetings message to His Excellency Raul Manglapus, foreign minister of the Republic of the Philippines, on Philippine National Day. The message reads in full as follows:

To His Excellency Raul Manglapus, foreign minister of the Republic of the Philippines.

Your excellency:

On the auspicious occasion of the Independence Day anniversary of the Republic of the Philippines, on behalf of the Cambodian people and Cambodian National Government and in my own name, I would like to extend my warmest greetings and best wishes to you and to the Philippine people and government. May the Republic of the Philippines achieve greater progress and prosperity under the leadership of President Corazon Aquino.

Availing myself of this occasion, I would like to reiterate my deepest thanks to you and to the Philippine people and government for giving valuable support to the Cambodian people in their struggle waged under the leadership of the Cambodian National Government with Samdech Norodom Sihanouk as president of Cambodia in order to regain their national independence, sovereignty, and territorial integrity. May the traditional ties of friendship and solidarity between our two countries and peoples further develop. Please accept my best regards.

[Dated] 8 June 1990
[Signed] Khieu Samphan, vice president of Cambodia in charge of Foreign Affairs.

Indonesia

Border Stability With Papua New Guinea Pledged

BK1206123290 Jakarta Domestic Service in Indonesian 1200 GMT 12 Jun 90

[Text] Indonesia and Papua New Guinea have agreed to maintain security and stability along their 800 kilometer border as a precondition for harmonious bilateral relations as well as for the prosperity and interests of residents living along the border. This was agreed upon in Port Moresby by an Indonesian delegation led by Brigadier General Amin Sumarsono and [name indistinct], the Papua New Guinea ambassador to Indonesia.

According to the Armed Forces Information Center of the Republic of Indonesia in Jakarta today, the two countries also agreed on a number of operational guidelines on the structure and functions of subcommittees regarding security problems that arise along the common border.

Minister Urges OPEC Members To Uphold Quota

BK0706140690 Jakarta ANTARA in English 1322 GMT 7 Jun 90

[Text] Jakarta, June 7 (OANA/ANTARA)—Indonesian has called on all members of the Organization of Petroleum Exporting Countries (OPEC) to abide by the quota fixed during the May 2 to 3 Geneva meeting.

The Indonesian minister of mines and energy Ginanjar Kartasasmita further said here Thursday [7 June] that all OPEC members should "uphold" the quota agreement reached last month.

Commenting on the declining price of oil in the last few days, he said that is is mainly caused by some OPEC countries which have not reduced their production output to the agreed level. "It should be regretted that several OPEC countries continue to keep their production level above their quotas," he said.

The Geneva meeting early last month, among others, decided to reduce OPEC members' production level by 1,445 barrel per day (BPD). In April the organization's production reached 23.5 million BPD in volume. With a lower production level, it is expected that the price of oil will get better, the minister said. "If only the organization's members had reduced its production by one million BPD, the oil price in the international market would have become much better, " he added.

In the last few days, the price of oil has dropped to 14 to 16 U.S. dollars per barrel.

"OPEC's basket price has been even decreased to 14.85 U.S. dollars per barrel, far below the organization's benchmark price of 18 U.S. dollars," Minister Kartasasmita said.

Armed Forces Chief Commissions New Frigate

BK0906124990 Jakarta Domestic Service in Indonesian 1200 GMT 9 Jun 90

[Text] ABRI [Indonesian Armed Forces] Chief General Try Sutrisno today commissioned the Indonesian Navy's new frigate, "Abdulhalim Perdanakusumah," aboard its deck during a ceremony off the waters of Semenap District.

The Vega-class vessel purchased from the Netherlands has a dead weight of 2,800 tons and is fully equipped with heavy artillery and modern weapons.

In his address, Gen Try Sutrisno said the weapons would be rendered useless if not properly maintained by highly disciplined and professionally qualified personnel. He said the vessel, which was purchased through public funds, should be well maintained so that the people will place their trust in ABRI.

The vessel was christened after Abdulhalim Perdanakusumah, a national hero from Semenap.

Laos

Phoumi Vongvichit Discusses Policy on Buddhism

BK1206043390 Vientiane Domestic Service in Lao 0000 GMT 5 Jun 90

[Interview with Phoumi Vongvichit, member of the Political Bureau of the Lao People's Revolutionary Party Central Committee, acting president of the Lao People's Democratic Republic, and chairman of the Lao Front for National Construction, by Vientiane-based TASS correspondent (Sergey Valakov) on policy of party and state toward Buddhism; date not given—read by announcer]

[Text] [Correspondent] What is the policy of the party and state of the Lao People's Democratic Republic [LPDR] toward Buddhism?

[Phoumi Vongvichit] The policy of the party and government of the LPDR is to grant the right of belief to all multiethnic people. This means that anyone can believe or not believe in any religion. But, in the LPDR, more than half of the citizens have, for hundreds of years, believed in Buddhism. Among those Buddhist believers are people of many different tribes, including the Lao Loum tribal people. In Laos, there are altogether more than 10,000 religious monks and novices who shave their heads, wear yellow robes, and practice religious precepts in hundreds of temples throughout Laos. Buddhist philosophy teaches the people to voluntarily refrain from committing wrongdoing, but to do only good things on the basis of self-awareness, consolidate the solidarity among monks and novices and the entire people, maintain tranquillity in the country, and contribute to safeguarding world peace. With this philosophy, the monks, novices, and Buddhist believers have supported the line and policies of the Lao People's Revolutionary Party [LPRP]. They took part in the national liberation struggle from the beginning until the day when complete victory was achieved.

[Correspondent] How do Lao Buddhists contribute to the implementation of the LPRP's strategic line?

[Phoumi Vongvichit] Lao Monks and novices and Buddhist believers actively joined with non-believers as well as with those who believe in other religions in carrying out the revolution to liberate the country. In the areas controlled by the resistance forces, monks and novices also studied the line and policies of the Lao Itsala Front and the Lao Patriotic Front and joined in building and developing the revolutionary forces. The monks, novices, and Buddhist believers had contact with those living in enemy-controlled areas, thus creating favorable conditions for the expansion of the resistance areas. The reason Lao Buddhists joined in pursuing the LPRP's strategic line is that no Buddhist precept runs counter to the party's objectives. Buddhism teaches the people to maintain a fine line of thinking, speak fine words, practice fine discipline, and maintain close unity in order to struggle for tranquillity and peace. The Lao Buddhists have maintained solidarity with people of all tribes—including those who believe in other religions or who do not believe in any religion—who maintain a patriotic and justice-loving spirit. They served as the strength of the national liberation struggle in the past and in the present cause of building and developing the country along the path of socialism.

[Correspondent] What are the achievements of Buddhist monks and novices in Laos?

[Phoumi Vongvichit] During the period of the resistance struggle, monks were divided into three groups—the group of monks who engaged in the resistance, the group of monks who gathered in forming Thammayut sect [the stricter of the two Buddhist sects], and the group of monks who gathered in enforcing the Maha Nikai sect in the enemy-controlled areas. After the success of the national liberation struggle, the monks in the resistance area merged with those of the Thammayut and Maha Nikai sects.

Lao monks throughout the country belong to the unified Buddhist organizations at various levels which are under the central Lao Unified Buddhist Organization—a collective member of the Lao Front for National Construction. With their awareness, all monks have voluntarily studied various resolutions of the party and regulations and laws of the state, because the implementation of the resolutions, regulations, and laws do not run counter to the monks' discipline. The teachings of the Lord Buddha, which are similar to the regulations and laws of the state, are that the people are trained to be masters of themselves, to refrain from maintaining the jealous and envious line of thinking, refrain from killing each other, refrain from stealing other people's property, refrain from committing adultery with a married woman, refrain from lying, refrain from drinking alcohol, and maintain unity to guarantee security and bring tranquillity to the country.

Following the teachings of the Lord Buddha, all monks have supported the strategic line of the LPRP, which is aimed at marching along the socialist path to the point of achieving a society without exploitation of man by man, where everyone enjoys equal rights and together builds a peaceful and prosperous country.

Actually, monks fulfill four major tasks: deliver sermons teaching the people to pursue the party's strategic line, which is similar to the Buddhist ethic; take part in campaigns to stamp out illiteracy among the people in all villages where temples are located, and help them raise their understanding to the primary, secondary, and senior high school levels; collect herbal roots to produce traditional herbal medicine and turn the temples into hospitals where sick people are cured with herbal medicine; and conduct seed culturing experiments in temple grounds and then encourage and help the people to plant those types of fruit trees so thet can build a plentiful life. In addition, monks have regularly traveled to visit the people in various villages and encourage them to build intervillage roads, set up irrigation systems to release water into ricefields, and build hospitals and schools to serve the requirements of their children. I consider all this the concrete achievements of monks in contributing to building good men and building a beautiful, prosperous, and strong country.

Kithong Vongsai Points to Restructuring Efforts

BK1306101690 Vientiane KPL in English 0914 GMT 13 Jun 90

[Text] Vientiane, June 13 (KPL)—Dr Kithong Vongsai, deputy minister of foreign economic relations of Laos, head of the Lao delegation to the 46th ESCAP [Economic and Social Commission for Asia and the Pacific] forum in Bangkok, brought to the attention of the participants to the forum, the Lao government's effort in contributing toward the democratic and fair relations between the states in the region. To gain such a situation, he said, this implied that the relations should be pursued on the basis of equality, mutual respect, peace, friendship, cooperation and interdependence.

In addition, he pointed to restructuring efforts in the country since 1983, the open door economic policy favouring foreign investments in Laos, aimed at transforming the natural national economy in to a market economy. The head of the Lao delegation also clarified the close attention given by the Lao government to environmental issues, which involve international cooperation in protection and management of tropical forest.

UNDP Issues Press Releases on Aid Programs

BK1306105790 Vientiane KPL in English 0919 GMT 13 Jun 90

[Text] Vientiane, June 13 (KPL)—The United Nations Development Programme has recently issued two press releases on its aid programmes in Laos. The releases are as follows:

1. Recognizing the importance of the role of livestock in the Lao economy, the United Nations Development Programme (UNDP) has approved assistance, amounting to U.S. $881,485 to the government of the Lao PDR [People's Democratic Republic] for improving the management of vaccine production and organizing a more effective distribution system for the vaccines.

The project will strengthen the management of veterinary services in the Vientiane municipality and in the provinces of Vientiane, Luang Prabang, Khammouane, Savannakhet and Champassak covered by a preceding project, and more particularly the provinces of Bolikhamsai and Saravane emphasized by the present project. It will develop an appropriate cost recovery scheme so that the costs of vaccine production and distribution will eventually be met by those who benefit from the scheme. Finally, it will continue UNDP's assistance to the National Institute of Vaccine Production.

For these purposes, the project, which will be executed by FAO [Food and Agriculture Organization], will provide the services of two experts and several consultants, training and equipment for three years.

2. The United Nations Development Programme (UNDP) has approved assistance, amounting to U.S. $554,000, to the government of the Lao PDR for continuing its support to forestry development.

The project, which supports the Asian Development Bank's [ADB] second forestry development project, aims at improving forest management in order to achieve an efficient utilization of forest resources and give more attention to the reforestation of logged areas.

Of particular importance is the preparation of a forest management plan for State Forest Enterprise No. 9 which would help to preserve the environment. The project will also assist the entreprise in the rehabilitation of its facilities and in its efficient and productive usage to reduce waste and to improve safety.

For these purposes the project, which will be carried out by ADB, will provide the services of two experts and will cover the costs of training and equipment required for two years. In addition, parallel financing by ADB will cover a series of consultancies.

Trade Union Delegation Departs 8 Jun for PRC

BK0906115090 Vientiane KPL in English 0935 GMT 9 Jun 90

[Text] Vientiane, June 9 (KPL)—A delegation of the Central Lao Federation of Trade Union led by its president Mr. Bounthan Souvannasouk, left here yesterday for the People's Republic of China at the invitation of the Chinese trade union organization.

During the 14-day visit, the Lao delegation will discuss with a Chinese trade union delegation about the improvement and expansion of relations between the two trade union organizations.

Philippines

Bases Council Works Toward Conversion of Bases

Joint Use of Clark, Subic Proposed

HK1306095790 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0930 GMT 13 Jun 90

[From "GMA News" program]

[Text] Legislative-executive bases council chairman Jose Abueva today stressed that the Philippine panel should press for the joint use of Clark and Subic bases in order to accelerate the bases conversion plan. According to Abueva, the idea is to transform Clark into a civil aviation complex and Subic into a maritime industrial complex.

Meanwhile, Manglapus said the Philippine panel would like to find out the capabilities of the authorities in connection with the conversion of the two military facilities. According to Manglapus, the final report of the council will come out in September.

On the other hand, Abueva said the joint use may extend to September 1991.

Seeks Access to U.S. Bases

HK1406055790 Manila THE MANILA CHRONICLE in English 14 Jun 90 pp 1, 8

[By staffmember Tress Martelino-Reyes]

[Text] The Legislative-Executive Bases Council said it wanted access to the American bases so that it could implement its plan to convert these facilities for civilian use, council chairman Jose Abueva said yesterday. The council is studying the possibility of building a 2,300-hectare airport complex at Clark Air Base. It said it needed access to land still owned by the U.S. government.

If the United States would not allow it, then the bases should be pulled out in September 1991, when the Military Bases Agreement (MBA) expires, said council Chairman Jose Abueva. "If they're not going to give us access, maybe we should really forget about any extension (of the bases') stay here beyond 1991. If they cannot allow joint military use which, by the way, they allow NATO (North Atlantic Treaty Organization) countries, why shouldn't they allow us that?"

Abueva explained that the government should start work on the airport complex even before the MBA expiration because the Ninoy Aquino International Airport [NAIA] had already reached its "saturation point" and was good only until the year 2005.

Abueva also asked the President to transfer the P6 [pesos] billion additional funding for the NAIA to the proposed airport complex in Clark.

The council chief said the joint use proposal, which would have effectively stopped the unhampered military use of the bases by the U.S. as provided by the MBA, was not tackled in the exploratory talks because his letter failed to reach the President on time.

But he reiterated: "We need access now or as soon as possible in order to plan in detail and start the construction of the civil aviation complex before September 1991. We are really saying, 'let's not waste time. Let's have access to do all the detail studies'."

The council's proposal would require an amendment of the MBA which grants the U.S. exclusive military use of its bases here, a privilege which the U.S. has consistently refused to give up and which has become an irritant in U.S.-Philippine relations. "The idea of unhampered use (of the bases) should be modified. Unhampered use would prevent joint use," Abueva said.

The airport complex is one of the projects under the conversion plan which the council has "firm ideas about," he said.

Manglapus Views Bases Talks, Other Issues

HK1406091390 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 14 Jun 90

[By Rey Arquiza]

[Text] The third round of exploratory talks on the U.S. military bases in the country may be held in Washington DC. This was today announced by Foreign Affairs Secretary Raul Manglapus, after he revealed that the second round of exploratory talks scheduled in August in Manila may not be concluded. Manglapus expressed the feeling that the U.S. bases talks will not be concluded in one sitting only. He said the U.S. proposed alternative venues but the Philippines has not agreed to this yet. Diplomatic observers believe that the talks, which may pave way for a new treaty, may be held in Washington after the second talks are held in Manila.

It will be recalled that the 1988 negotiations for the amendments to the military bases agreement originally started in Manila, but the conclusion was held in Washington where the Manglapus-Shultz agreement was reached. The agreement surprised the Aquino government, notably the senators who had no hint at all about a possible signing of an agreement because Manglapus' departure at the time was to attend a United Nations conference in New York. Manglapus will leave again for New York in September of this year, and he may reenact the 1988 incident in relation to the U.S. military bases agreement.

The second round of exploratory talks will be held in August in Manila. These talks will tackle the issue of extending the U.S. military bases in the country after 1991. The U.S. bases agreement will expire in September 1991.

Meanwhile, Manglapus announced the success of the all-Muslim group from the Philippines in seeking support from the Islamic Conference Organization for President Aquino's position on the Mindanao issue. At the same time, Manglapus announced the grant of temporary asylum to 100 Vietnamese boat people who were rescued by a U.S. Navy boat and are now at the Subic Naval Base. It is not our character to push these people back to the sea, Manglapus said.

Unidentified Official Views August Bases Talks

HK1106102390 Quezon City MALAYA in English 11 Jun 90 pp 1, 2

[By Ellen Tordesillas]

[Text] Negotiations on the fate of U.S. bases which will start last week of August is expected to take only 60 actual negotiating days, and part of the talks may be held in Washington, a member of the President's committee on bases said yesterday.

The official, who asked not to be named, said Foreign Affairs Secretary Raul S. Manglapus is asking President Aquino for a budget of P6 million [pesos] to cover administrative expenses of the support staff of the Philippine panel. The official said the P6 million is "based on the assumption that talks will be completed within 60 actual negotiating days." He said in the 1988 bases review which started April 15, 1988 in Manila and was completed October 17 of the same year in Washington, D.C., the budget was P4.4 million.

He said the increased budget is based on the fact that the negotiations will cover the broad range of RP [Republic of the Philippines]-U.S. relations which will require a larger number of support staff and consultants. He said the 1988 talks were limited only to the last two years of the existing Military Bases Agreement.

He also said there is a big chance that part of the talks will be held in Washington, D.C.

The official said if negotiations will exceed 60 days, a supplemental budget will have to be provided.

He said Manglapus requested that the P300 daily honorarium for each negotiator and consultant and another P300 daily meal allowance for each member of the secretariat be exempted from existing auditing regulations.

The official said they expect to complete the talks by November with enough time for the agreed compensation package to be included in the supplemental budget to be submitted in January 1991. He also said the United States could also request a certain amount to be included in the budget that will be submitted to Congress in October even before the negotiations are concluded.

The official said if the Philippine panel's timetable of 60 actual negotiating days is followed, there will be enough time for the ratification of the treaty before Sept. 16, 1991, the end of the existing bases agreement.

Charges Filed Against Suspected Kidnappers

OW1306075790 Tokyo KYODO in English 0559 GMT 13 jUN 90

[Text] Bacolod, Philippines, June 13 KYODO—The Philippine military filed charges Wednesday against four suspected Communist rebels whom the Army accused of abducting Japanese aid worker Fumio Mizuno two weeks ago. Constabulary Capt. Avelino Castro, provincial officer-in-charge of the military's criminal investigation service, named a certain Nonoy Bacurayo and three unidentified accomplices as respondents of the complaint filed at the Negros Occidental Province Prosecutor's Office.

The complaint was filed after the military rejected a request from the Tokyo-based Organization for Industrial, Spiritual, and Cultural Advancement (OISCA) to postpone the filing of charges so as not to jeopardize preliminary talks for Mizuno's release, a senior military official who requested anonymity told KYODO NEWS SERVICE.

Mizuno, a 36-year-old training director of OISCA, was taken away at gunpoint in the town of Murcia, Negros Occidental Province, last May 29, the complaint said.

Earlier, Negros Occidental Gov. Daniel lacson told reporters that "potential negotiators" have started talks with Mizuno's abductors that could lead to formal negotiations for his release. Lacson said the would-be negotiators, whom he refused to name, have proposed that the military postpone the filing of kidnapping charges because "it may jeopardize negotiations." In the past, lawyers and human rights advocates have served as go-betweens in negotiations for the release of rebel captives.

Although the military has repeatedly blamed the Communist New People's Army (NPA) for Mizuno's kidnapping, the NPA has not officially claimed responsibility for the abduction.

Lacson said OISCA officials and other "potential negotiators" have been meeting emissaries of the abductors, but he would not say when the talks started or where they were held. He described the abductors' emissaries as "local guys based in Negros and not from the underground, who, in many past cases, have talked on behalf of the rebels."

Lacson said prospects for formal negotiations are "quite high" and that Catholic Church and OISCA officials are requesting the military to stop military operations that might endanger the life of Mizuno.

He said the government is still waiting for the abductors to formally name their negotiators.

Both Lacson and OISCA officials have refrained from saying the NPA is responsible for the kidnapping.

Meanwhile, a cartographer from the National Bureau of Investigation arrived Tuesday and has sketched two of the alleged kidnappers after interviewing witnesses, a military official said.

More than 2,000 troops are still combing the villages around Murcia for Mizuno and his abductors, the official said.

Salonga Calls on Katipunan To Bare Objectives

HK1106090190 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 11 Jun 90

[By Cesar Chavez]

[Text] Senate President and Liberal Party Chairman Jovito Salonga today called on the organizers of the newly formed group Katipunan to disclose their program of activities and their objectives in order that the public may know how they differ from other groups. In a press statement, Salonga said the group should clarify what they meant by traditional politician, asking the group whether Ninoy Aquino, former Senator Lorenzo Tanada, and late Senators Jose Pepe Diokno and Claro M. Recto are traditional brass. This was Salonga's reaction to a report qouting President Aquino as saying that the political group will be comprised of nontraditional politicians.

Ramos News Conference on Kabisig, Aquinaldo

HK1306082190 Quezon City DWDD Defense Department Radio in Tagalog 0655 GMT 13 Jun 90

[News Conference by Defense Secretary Fidel Ramos at the Social Hall of the Department of National Defense, Camp Aguinaldo, moderated by Rene Santa Cruz of DZXL—live in English, italicized portions in Tagalog]

[Text] [Santa Cruz] Sir, do you have any opening statement?

[Ramos] Yes. Again, as is usual, we would like to inform you of the major items taken up in the cabinet meeting this morning. Of course, your colleagues from the Malacanang press corps are probably reporting on this in detail. But this is something you can report for your newspapers as well as report to your wives and husbands as the case may be.

But this is a report on the performance of the Philippine economy for the first quarter of 1990. Considering most parameters, meaning the behavior of the industry sector, the improvement in trade and agriculture, collection of taxes and other government revenues and capital formation, suprisingly, the economy performed very well; resulting in a GNP growth for the first three months of 1990 of 6.3 percent which is 1.7 percent higher than that recorded for the same period in 1989, and is also higher than the 4.8 percent projected for all of 1990.

On the other hand, there are some minus elements. First is the growing trade deficit, meaning exports versus imports. Secondly, the deceleration of the gross domestic product. The gross national product is the total of production in the Philippines as well as production of Filipinos overseas. But the gross domestic product is limited to what was produced here either by Filipinos or nationals of foreign countries that are residing in the Philippines.

And so there is a suggested course of action that must be taken by the government so that the improvement will be total by the end of 1990, and the minuses will already be removed or neutralized or offset by improvements on the plus side. So, I will give a copy of this to the PIO [Public Information Office] for dissemination to all of you. Here is another one.

Now, secondly, as part of that report, please note that the constant reports about a coup that is about to take place had some substantial negative effects. That is why we would like you to have a copy of this, because that not only hurts the economy, because that accounted for many of the minor factors, but it also hurt you as family heads, as employees, as wage earners. It hurts all of us.

And so I go back again to my statement yesterday, which was correctly reported by most of you, in regard to not really focusing so much on coup attempts, coup reports, destabilizing actions, which come out from the propaganda mills of the anti-government forces as well as the armed threat groups to the Republic of the Philippines, but, instead, for all of us to focus on the positive, which is getting this country together again and accelerate our programs for reforms, for the alleviation of poverty, and for the neutralization of the threats to our security.

As we have tried to point out here in the DND [Department of National Defense], there is a very direct linkage between security and development. If government slows down, security also cannot be attained as quickly as we would want it to be, and therefore, stability is not stable.

On the other hand, security and peace and order must also be improved so that development can go ahead unimpeded—and that is our main responsibility here. But one is affected by the other and vice versa. And so what we are asking for is a focus or a concentration on the things that this country needs to do so that we can move forward, take care of our people, and then eventually catch up with the rest of the countries in the Asia and Pacific region. Okay?

[Santa Cruz] Sir, this is my first question. Sir, how would you personally assess the Kabisig [Partnership] project's launch or formal launch yesterday by Her Excellency President Cory Aquino? Are you convinced that it is a non-political organization?

[Ramos] Personally, in as much as I was in the initial discussions of this during the cabinet meeting of June 2d after it was introduced by no less than the president herself, I am for this crusade. I am for this movement which is intended to accomplish or ensure good government. But beyond that, it is also intended to install good reforms, the acceleration as well as continuity beyond her terms of these programs that would precisely alleviate poverty and allow us to provide for the other needs of our people. And eventually, to bring the Philippines to its rightful place in the community of nations, not only in the Asia-Pacific region but also on a global basis. And I have informed our higher officials in the department as well as in the AFP [Armed Forces of the Philippines] that for as long as this is a crusade, it is a movement, it is really not a political party per se, although it deals with political matters; that it should be supported. However, I would like to inform you that the guidelines on this will still be worked out. They will be presented also to the cabinet by a special committee designated by the president. And by next week, we should know more about it. But that is my initial position on the matter.

[Santa Cruz] Sir, what is the role then of the DND and the Armed Forces of the Philippines to this project?

[Ramos] Well, precisely, good government and to accelerate the programs of government, especially pertaining to the alleviation of poverty, to the generation of jobs, countryside development, which all require a better condition of peace and order and security. And so our part is supportive in nature but at the same time, it is very important.

[Santa Cruz] Sir, are you joining Kabisig?

[Ramos] As I said, I am in favor of it, but since there are no guidelines yet, *no application forms yet*, let us wait for that. But I am in support of it personally.

[Santa Cruz] Thank you very much, sir. Next question.

[Ramos] No questions?

[Santa Cruz] Mr. Noli Capinpin.

[Capinpin] Good afternoon, sir. Sir, will there be charges filed against Aguinaldo since he accepted responsibility over the death of General Florendo last March?

[Ramos] Well, as I understand it, the charges filed by the State Prosecution Service in the Quezon City regional trial court which resulted in the issuance of a warrant of arrest by that court is the one that has just been served on ex-governor Aguinaldo, for which he posted a 90,000 pesos bail bond. Now, according to our rules of court and our concept of due process, eventually that court which has jurisdiction over Aguinaldo will have to schedule hearings on that particular charge. The respondent, ex-governor Aguinaldo, will have to appear in court.

Now, that is part of our judicial procedure under our rule of law. Now, in regard to other subjects, this must be worked out between the Department of Justice, possibly with the Department of Local Governments; with the DND-AFP participating and supporting. There is a joint legal action committee or Jolac created by a memo of agreement between then Secretary of Justice Secretary Ordonez and myself as SLD [expansion unknown] consisting of the under secretary of justice and the chief state prosecutor, and the judge advocate general of the Armed Forces of the Philippines. They are right now in the process of studying the next step that will be taken in relation to ex-governor Aguinaldo.

[Santa Cruz] Next question? One more question from Ben Cayub.

[Cayub] Just in case Kabisig would loom into a political organization, are you prepared to join, sir?

[Ramos] I think that is speculative because as already articulated very clearly yesterday, it is not supposed to be a political party.

Now, for my part, I would like to explain my reasons for supporting it. The movement is supposed to memorialize, institutionalize, and carry on to the future for the welfare of future Filipino generations the principles, the concepts, the philosophies, and the lessons learned from the February 1986 people's power revolution. And as you well know, I was a leading participant in that one. Secondly, we are talking about continuity and acceleration. Meaning, there are many projects of this administration, of this government, which cannot be accomplished within six years. But since many of them are very, very meritorious and even vital and necessary, there must be a mechanism for the continuity of what has been started.

And lastly—and I think this is the aspiration of everybody—we must be able within this decade to reasonably attend to the needs of our people so that sovereignty will not only be in terms of political sovereignty but also economic sovereignty which is really economic self-sufficiency; and even economic surplus if we can do it. And eventually, all of that will allow us to be in the position where we were 20 years ago when, next to Japan, we were the leading country even in the economic field in Asia and the Pacific region.

So, on that basis, I repeat I am supporting the objectives of the crusade and of the movement.

[Santa Cruz] One last question from [name indistinct].

[Ramos] No further comments on the Kabisig.

[reporter] No Kabisig, sir. First Lieutenant Emil Ong, the one who escaped from Fort Bonifacio, sent faxed letters to the members of the military press corps and he said that he was rescued by the Rex Baquiran Brigade of YOU [Young Officers Union], not from legal liabilities of deductions, but from the slow wheel of justice that was restricting him from serving the Filipino people he swore with his life to defend. He is also saying that, somehow, the other officers and men who joined the...who are detained are being denied justice because of the slow turn of justice. How would you comment on this?

[Ramos] Well, I have not seen that particular statement, although I was told that there is one in the office.

However, what he probably mistakes as the slow wheels of justice—and I suppose he was talking about military justice because he is under the jurisdiction of the military justice system—is because we have precisely in this country due process under the rule of law. Now, many of the delays sometimes come from the defendants themselves, as proven by the proceedings in general court martial number 14 in Camp Crame.

Secondly, if we look at the record, I think we can see that the military justice system has moved a little faster than the civil courts. I am referring to the adjudication of the series of cases arising out of the 1987 failed coup attempts. There have been some convictions already. There have been some exonerations. And the bulk of those suspected as participants in the 1987 series have already been returned to duty after some administrative punishments under the Articles of War 105 were meted out to some. And I think, in the case of the 1989 series, that it could even be faster because this is now being assisted by first, a committee here at the level of the DND under Under Secretary Quisumbing, and secondly, the Davide Commission itself.

So, maybe what he means is: He just wants to escape because he wants to rejoin the other rebels, not because he is aggrieved with the slowness of the justice system in our country. But I think we should give credit to the fact that in our country, unlike in other countries, coup plotters, coup participants, coup leaders, after they have been detained, are really given their day in court. They are given, I would say, all the privileges pertaining to detained persons which would include visitations by their legal counsels, by medical officers, and even by religious advisers, not to mention their direct dependents. In other countries—and I am referring to Nigeria and lately Ethiopia—after failed coup attempts, there was no delay in the meting out of justice because the coup plotters were summarily executed. *There was no delay.*

Thank you very much.

[Santa Cruz] Okay, that ends our press conference today. Thank you very much, sir.

NDF Spokesman Says Aquino Movement Will Fail

HK1406082990 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 14 Jun 90

[By Jennifer Postigo—italicized portions in English]

[Text] Detained National Democratic Front [NDF] Spokesman Satur Ocampo said the political movement Kabisig [Partnership] formally launched by President Aquino on 12 June is insignificant and will not succeed. He stated this in reaction to the president's newly formed group during an interview with this reporter at the sala of Judge Tirso Velasco at the Quezon City Regional Trial Court. He and his wife Carolina Bobbie Malay Ocampo were allowed to leave their Fort Bonifacio detention for the third time.

According to Satur Ocampo, the launching of Kabisig was a last ditch effort by the government to salvage the falling popularity of President Aquino's government. Satur expressed doubts whether this movement would ever succeed because it allegedly lacks a specific program which is important in persuading the people to join. He said:

[Begin recording] [Ocampo] *It is not right to set a specific row of constituency.* The president wants only those who support her to join the movement. Now, that excludes the critics, who may have proposals that are useful to the country. This could happen to the NGO's [nongovernmental organizations]. *They have identified acceptable NGO's and there are unacceptable NGO's.* So, Kabisig membership is limited. What they should have done was to set forth a defined program and make this the basis for their call for membership. How can you join the movement when you don't know where you're going. So I say this is ad hoc. They would only try to patch up the holes later, *which is not good.*

[Reporter question indistinct]

[Ocampo] *It could be also.* Well, it's one of the desperate steps of the Aquino government to try to salvage its prestige, its standing with the people, because its programs have failed miserably. So, it's looking for a way out and it's calling for people to support. But what is there to support? What is their program? There is no program on which Kabisig is based. [end recording]

Meanwhile, the arraignment of Satur Ocampo and Carolina Malay was again postponed until 18 July. Judge Tirso Velasco's decision was based on a petition by the couple's lawyers, Romeo Capulong and Armold Sanidad, who claimed that up to this time, the government prosecutors have not proven that a preliminary investigation on their clients cases was carried out before the two top NDF leaders were officially charged.

Trade Secretary Said Facing Replacement

HK1306061190 Manila BUSINESS STAR in English 12 Jun 90 pp 1, 3

[By the BUSINESS STAR staff]

[Text] President Aquino has asked Trade and Industry Secretary Jose Concepcion Jr. to go on an indefinite leave of absence within the next two weeks and has named Tourism Secretary Peter Garrucho to replace him in an acting capacity.

Palace officials told The BUSINESS STAR that Concepcion's credibility as a Cabinet member had been severely eroded by two recent issues—the alleged behest loan granted to a Taiwanese group to set up a $370-million petrochemical plant, and a congressional inquiry on his reported continued links with his family's fast-growing enterprise, RFM Corp.

In a meeting with a select group of Cabinet officials in the President's Arlegui residence last week, it was agreed that Concepcion would be allowed to make a graceful exit by announcing he had to leave the government because of "serious threats to his life."

Asked yesterday to comment on reports about his impending replacement, Concepcion said: "I don't know. Peter Garrucho just called me. In fact, I just saw him an hour ago and he said that he heard that report but doesn't know what it is all about."

A ranking government official who requested anonymity said former executive secretary Joker Arroyo's "petro-scam" expose had a devastating effect on the country's image. Taiwanese papers were said to have carried the news on their headlines for weeks.

Malacanang last Friday also asked the Securities and Exchange Commission (SEC) to furnish the President with more details on Concepcion's possible violation of the anti-graft law by his reported failure to divest himself of RFM shares. It was suggested that Concepcion had merely sought cover under a new firm, Invest Asia Corp., which now holds a substantial block in the food conglomerate. Concepcion headed RFM before joining Mrs. Aquino's Cabinet right after the February 1986 revolution.

RFM officials and Concepcion denied the allegations. "I am not involved in RFM, so if you have questions you should ask RFM," Concepcion told The BUSINESS STAR.

In the same meeting, it was also announced that Executive Secretary Catalino Macaraig, who is believed to be an ally of his predecessor Arroyo, would be replaced by Transporation and Communications Secretary Oscar Orbos. Arroyo's criticism of the petrochemical project had rocked the current administration and had sent disturbing signals of government instability to foreign and local investors alike.

Only a few months ago, Concepcion found himself pitted against resigned agrarian reform secretary Florencio Abad, who had refused to convert farm lands in Dasmarinas, Cavite, into an industrial estate project of the DTI [Department of Trade and Industry]-run National Development Co. and Japan's Marubeni Corp.

No one has been suggested as Garrucho's replacement at DOT [Department of Tourism], but some officials said that if Garrucho is allowed to keep his DOT post, it could afford him a chance to streamline certain operations. Both DTI and DOT regularly send promotion missions abroad. In talks with colleagues last week, Garrucho was quoted as saying he did not consider it possible to merge DOT and DTI operations for purposes of streamlining operations and cutting costs. He cited the recent Supreme Court decision reinstating government personnel displaced by reorganization. He reportedly said efforts to streamline the bureaucracy were bound to be frustrated.

Basically a marketing expert, Garrucho's academic and business background is expected to enable him to spot policies inconsistent with business and to undertake reforms intended to facilitate, rather than regulate, investments, a professor at the Asian Institute of Management (AIM) said. "Cory is getting a salesman for the job. Pete Garrucho is a marketing man and he will be just the right one to sell the country to investors abroad," said a top official at the All-Asia Group of Companies, an investment and financial services firm.

"Concepcion cannot survive for long in the job. Marami na siyang kalaban. (He already has a lot of enemies). I think Garrucho is all right. We remember him for a well-done job at the height of the failed December coup in Makati," the businessman said.

"It's a major change," said Anscor Capital and Investment Corp. senior vice president Bert Santos. "Concepcion has been one of the most aggressive trade secretaries the country ever had. I always saw him as the go-go and fighting Joe Concepcion. "Off-hand, however, I am not very much acquainted with Garrucho and he is still an unknown entity despite his handling of the tourism post. But sayang si Joecon [It is a shame aboutb Jose Concepcion]—he was actually doing a good job," Santos said.

Quite a number of businessmen have criticized the DTI bureaucracy, particularly the Board of Investments for creating unnecessary roadblocks to businesses.

Garrucho has an extensive theoretical and practical business background. He had been a full professor at the prestigious AIM for 10 years, a job which required expertise in all major business and economic subjects. He was president of C.C. Unson Co. Inc. and was director and officer of the car battery maker's subsidiaries.

The issue involving the alleged conflict of interest between his post and RFM appeared to be a major downfall of Concepcion. SEC associate commissioner Merle Manuel said RFM's financial statement showed that since 1986, Concepcion had ceased to hold shares in the food conglomerate. Manuel, an accountant, however said the SEC was not privy to the manner by which Concepcion had sold his RFM holdings.

In a congressional hearing last week, SEC Chairman Rosario Lopez suggested that officials of Invest Asia Corp., a holding company set up last year by the Concepcion family together with the Aranetas, be investigated to determine the real owners of RFM. Lopez wondered how a company like Invest Asia capitalized at only P5 million [pesos] was able to acquire a P62.9-million stake in RFM.

De Villa Says Security Situation 'Normal'

HK1306053390 Manila THE MANILA CHRONICLE in English 13 Jun 90 p 6

[Text] Armed Forces Chief of Staff Gen. [General] Renato de Villa yesterday described the country's security situation as "normal" and "quiet," saying there were no "unusual movements or incidents" reported during the celebration of Independence Day.

"Except for the Muntinlupa incident and the killing of Air Force Col. [Colonel] Saturnino Dumlao, there are no other violent incidents related to June 12 in the whole country," De Villa told reporters in Malacanang, where he attended the traditional toast hosted by President Aquino.

He said military camps went on full alert to "prevent any interruptions" of the Independence Day celebration.

De Villa also said that the murder of Dumlao, who headed the Military Intelligence Group 15 based in Metro Manila, had been a "long-time NPA (New People's Army) project." Dumlao "had been warned about it, he knew it and he was trying to be careful, unfortunately they (communist guerillas) got him," De Villa said.

The chief of staff said Dumlao was "one of our best intelligence officers," who had helped in the capture of many senior officials of the Communist Party of the Philippines (CPP).

Dumlao was driving to work Monday morning when his car was blocked by gunmen aboard a blue Mitsubishi Pajero on Jacinto St., in BF Homes, Paranaque.

Asked whether the murder was a major setback for the military, De Villa replied that "we have a replacement for him right away."

Navy Readies Tactical Unit for Emergency

HK0706065190 Quezon DWDD Defense Department Radio in Tagalog 0600 GMT 7 Jun 90

[From "Military News" program]

[Text] The Philippine Navy has revived its former tactical unit for immediate deployment in any part of the country in the case of a critical situation. The Navy force was activated amidst threats of an impending coup by ultra rightist groups this month. Philippine Fleet Commander Commodore Dario Fajardo said the formation of the special unit will ensure a speedy deployment of the naval unit in any part of the country in the event of an emergency. The unit includes personnel with specialized training and with full logistics, aerial, and gunship support; and is headed by Captain Pablo Perez, Philippine Fleet deputy commander, and appointed by Navy chief Rear Admiral Mariano Dumancas Jr.

Tighter Security Imposed at Camp Crame Stockade

HK1206110390 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0930 GMT 12 Jun 90

[From "GMA News" program]

[Text] The military authorities have introduced measures to tighten security in the Camp Crame stockades. All military camps have been placed under double red alert in the light of speculation that rightist rebels are planning a coup attempt.

Meanwhile, PC-INP [Philippine Constabulary-Integrated National Police] chief Marino Filart said that rebel leader Gringo Honasan may be receiving assistance from wealthy people, and this is making it difficult for the military to track him down. Filart however, denied that Honasan has many sympathizers in the military.

De Villa Claims Honasan in Manila Area

HK0806083390 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 8 Jun 90

[By Eloi Aquino from Camp Aguinaldo—italicized portions in English]

[Text] AFP [Armed forces of the Philippines] Chief of Staff General Renato de Villa today revealed that former Army Lieutenant Gringo Honasan has been in the national capital region since last month. However, De Villa could not name his exact whereabouts. He made the revelations in a news conference following reports that Gringo was allegedly wounded in an encounter with authorities in Metro Manila.

At the same time, De Villa cautioned the public about deployment of government troops, saying that this was part of the military's work to avert violence or disturbances in Metro Manila as well as maintain stability in the country. According to General de Villa:

[Begin De Villa recording] *What we know really is that Gringo Honasan is moving about and roaming around in the areas of the national capital region as of last month. But we have not pinpointed specifically where he is or where his hideout is. But if we will be able to do that, we will of course act on it rapidly. I would like to caution all of you that if you have seen troops being deployed, patrols being conducted, we have to ask our society to please bear with it because this is part of our job and the job of keeping the peace and preventing violence. And if you see them at night deploying, do not make the conclusion that there is going to be a coup because it is precisely, perhaps, the reason of preventing of a violence that we are there.* [end recording]

According to De Villa, the rebels continue to receive moral and financial support from sympathetic elements, but added that the magnitude of this support has been reduced following the aborted December. It has also been undercut by the government's countercoup campaign.

De Villa also warned that active military officers found supporting the Reform the AFP Movement-Soldiers of the Filipino People [RAM-SFP] will be arrested and investigated. However, he reiterated that before a crackdown, the right information and strong evidence should be obtained first because indiscriminate arrests could bring about more problems to the AFP.

According to the chief of staff, some 250 officers and men involved in the past coup attempts are still unaccounted for, with most of them being enlisted personnel. Meanwhile, 340 others were released since December, leaving only 1,800 officers and men still awaiting pretrial investigation.

De Villa said that most of the core leaders of the aborted coup have been arrested, but the two prominent leaders, Gregorio Honasan and General Jose Maria Zumel, are still at large and are being hunted by the military. As long as the two men are free, it can be assumed that rightist elements are continuing with their anti-government plot.

De Villa also said that the RAM-SFP still has the capability to launch terroristic activities such as bombings, assassinations, and other fearsome crimes.

Meanwhile, it is possible that detained communist rebel leaders may petition for release with bail following the Supreme Court ruling on the rebellion complex charge. This came to light even as Armed Forces Chief of Staff General Renato de Villa stressed that the matter was being handled delicately, adding that they have been abiding by the Hernandez Doctrine since the 1950s.

The military usually files charges of illegal possession of firearms in furtherance of rebellion against arrested leaders of the Communist Party of the Philippines [CPP]-New People's Army [NPA] if arms or explosives are found at the moment of the arrest. Unlike the rebellion case, the complaint of illegal possession of firearms is non-bailable.

[Begin De Villa recording] *Actually, we have been abiding by and following that doctrine since the fifties. But what we have charged some of the CPP-NPA leaders, which are violations of laws under existing laws which do not allow bail, such as illegal possession of firearms in furtherance of rebellion. All of these, I believe—the issues with respect to these matters—will have to eventually be resolved by the courts.* [end recording]

De Villa refused to comment on published reports quoting Justice Secretary Franklin Drilon as saying that evidence may have been put forth by the military in order to justify arrests of communist leaders. De Villa said that the secretary may have been misquoted.

Meanwhile, Drilon agreed that the Supreme Court ruling may lead to the release of rebel extremists. However, De Villa stressed that cases filed against detained CPP-NPA leaders are violations of existing laws. He did admit that the case of illegal possession of firearms in furtherance of rebellion could be challenged in the court. He added that this will have to be tried at court.

Military Offers Cash Rewards for Rebel Arrests

HK1006051690 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 9 Jun 90

[Text] The military today announced a total of 1.5 million pesos cash reward for the arrest of seven active members of the Young Officers Union, or YOU, three of whom escaped from military detention about three months ago. Military sources also disclosed that the list included the most active YOU members engaged in recruitment and propaganda activities. The cash rewards, which range from 100,000 to 300,000 pesos, were stipulated in a department order issued by Defense Secretary Fidel Ramos.

Heading the list is Marine Major Ariel Querubin, who escaped from the AFP [Armed Forces of the Philippines] medical center last March while undergoing medical treatment. Querubin carries a 300,000 pesos cash reward for his arrest. He was the operational officer of the 4th Marine Battalion Landing Team [MBLT] which attacked Camp Aguinaldo at the height of the aborted December coup. He is said to be the most vocal leader of YOU and gave interviews to newsmen following his escape.

The other two officials with 300,000 cash reward for their arrest are PC [Philippine Constabulary] Captain Washington Javier and PC Captain Rafael Cardeno, who escaped from military detention centers in January. Javier, who is also a known member of the Reform the AFP Movement [RAM], resigned from military service two years ago and joined the military rebels in trying to topple the government last December. On the other hand, Cardeno was a classmate of another popular YOU member, Captain Diosdado Valeroso. Both were members of the Philippine Military Academy Class of 1982.

Two junior officers carry a price tag of 200,000 pesos while two others carry cash rewards of 100,000 pesos. The former are Lieutenant Junior Grade Robert Lee and Air Force Captain Christopher Mesias, while the latter are Captain Nestor Flordeliza and First Lieutenant Renato Fabia, both Army officers.

Noble Reportedly Signs Pact With MNLF

HK1306034290 Manila PHILIPPINE DAILY GLOBE in English 13 Jun 90 p 3

[By staff writer Julius Fortuna]

[Text] Col. Alexander Noble, one of the leaders of the rightwing Reform the Armed Forces Movement (RAM), has signed a formal agreement with leaders of secessionist and tribal groups in Mindanao for a political and military alliance that would push for a separate republic, the Moro National Liberation Front (MNLF) announced yesterday.

Noble, former chief of the Presidential Security Group (PSG), signed the agreement with Kumander Solitario, the top field officer of the MNLF national security command (Nascom), and the leaders of eight other groups espousing the secessionist cause, a ranking MNLF official told the GLOBE. The joint communique was signed on April 28, according to the MNLF official, who asked not to be identified.

The eight-paragraph document called for the formation of three military commands that would coordinate tactical offensives against the Aquino government. The agreement binds the RAM, MNLF, Soldiers of the People of Mindanao, Armed Forces of the Federal Republic of Mindanao, Mindanao Citizens Army under the Mindanao Independence Movement, Movement for a Free Mindanao, Bangsa Moro Armed Forces, Moro Islamic Liberation Front, MNLF-Reformist Group, and Mindanao Tribal Forces. The communique said the first military command will be assigned to RAM, the second to Muslim secessionists, and the third to Mindanao tribal forces. A military commission, with seven representatives from the armed groups, will "direct the unified and coordinated military effort in support of the general plan for the establishment of the Federal Bangsa Moro [Moro Homeland] Mindanao Republic," according to the communique.

"Mindanao shall be a free and independent state and not merely an autonomous region of the Philippines under a unitary form of government or as a state of the Philippines under the federated republic of the government," it said. The Mindanao republic shall be federal and parliamentary and "many maintain ties with the Republic of the Philippines as part of the Commonwealth of the Federal Republic of the Philipines." All incumbent senators, congressmen, and governors who support the Mindanao republic will be considered automatically part of the provisional government, the communique said.

In a related development, Lianao del Sur Congressman Ali Dimaporo refused to confirm or deny his designation as chairman of the Manila Commission of the MNLF's Manila Commission. "Don't ask me that question," said Dimaporo, speaking to the GLOBE in an interview. He was earlier reported to have joined the MNLF in a meeting last May 28 with Dr Abdul Rachman Amin, the MNLF represntative to the Organization of Islamic Conference.

Further on Reported MNLF-Dimaporo Alliance

HK0806094190 Manila PHILIPPINE DAILY GLOBE in English 7 Jun 90 p 7

[By Staff Writers Julius Fortuna and Sammy Santos]

[Text] The entry of former Lanao del Sur Congressman Ali Dimaporo into the secessionist Moro National Liberation Front (MNLF) will boost the firepower of the rebels by at least 5,000 guns, apart from Dimaporo's political influence, Sen. Mamintal Tamano said yesterday.

Speaking in a symposium at the Hyatt Regency Hotel, the Muslim senator said that Dimaporo has not turned over to the Aquino government some 5,000 guns left to his care by then President Marcos shortly after the former dictator fled with his family to Hawaii. "The government has not been able to collect those guns," Tamano said. Because of this, he added "the government must take seriously the alliance between Ali and the MNLF."

Dr. Abdul Rachman Amin, the MNLF permanent representative to the Organization of Islamic Conference (OIC), conferred on Ali the position of chairman of the

Manila Commission of the MNLF last week, the GLOBE had earlier reported. The conferment rites took place in the residence of Dimaporo at the Corinthian Gardens. Dimaporo has not come out to confirm or deny the report. Repeated calls to his home here were turned away by his household.

Observers have said that Dimaporo may have decided to join the MNLF after his so far unsuccessful bid to become governor of the Muslim autonomous government in Mindanao. Dimaporo had filed several cases of fraud against his election opponent, former Maguindanao Governor Zacaria Candao, who remains unproclaimed despite his claim that he had won by a landslide.

Analysts have said that the entry of Dimaporo into the MNLF boosted the rebel group's standing before the member countries of the OIC as well as traditional leaders in Mindanao.

Tamano and another Muslim senator, Santanina Rasul, told the forum they did not believe the OIC would impose an oil embargo against the Philippines because of the heightening tension in Mindanao.

Meanwhile, the Presidential Commission on Good Government (PCGG) denied it had directed the Department of Foreign Affairs (DFA) to prevent Dimaporo from leaving the country. "I do not know anything about that. I have not signed anything to that effect," said PCGG chairman Mateo Caparas in reaction to reports that the DFA was not issuing travel documents to Dimaporo allegedly on the PCGG's instructions.

Another PCGG official, Commissioner Maximo Maceren, explained their office cannot issue a hold order against the former congressman who has no criminal case pending in Philippine courts. Dimaporo, Maceren said, is listed in a civil case filed before the Sandiganbayan as a co-defendant of former ambassador Eduardo "Danding" Cojuangco in connection with the sequestration of a coconut oil mill owned by the latter.

"Besides, even if Dimaporo has a pending criminal case, only the Sandiganbayan can issue a hold order against him." Caparas noted.

Thailand

Correspondent Previews Chatchai's U.S. Visit

BK1106010190 Bangkok BANGKOK POST in English 11 Jun 90 pp 1, 3

[By Kanchana Spindler]

[Text] Prime Minister Chatchai Chunhawan leaves tonight for a meeting with US President George Bush which it is hoped will lay the foundations for the mutually-beneficial development of Thai-US relations into the 21st Century. At the heart of the two leaders' discussions, which will take place in the White House on Thursday morning, is the Thai proposal for a Consultative Forum, an idea first mooted at the Tokyo meeting of the two leaders last February.

Gen Chatchai's policy advisers see this high-level panel as a mechanism for "conflict avoidance, rather than dispute settlement". US Embassy officials in Bangkok confirmed that "there seems to be a genuine interest in Washington" in the establishment of such a dialogue mechanism and that the Forum idea will be a major topic of discussion, although they do not expect an agreement to be signed.

In addition to an agreement in principle to establish the high-level forum, Gen [General] Chatchai will inform President Bush on the "changing nature of Thai-US relations" and present Thailand's record of accomplishments on the issues of narcotics, trade and the Cambodian conflict first raised in the Prime Minister's Aide Memoire which was presented to Mr Bush at the Tokyo meeting.

According to Dr Surakiat Sathianthai, a key personal adviser to the Prime Minister, the changing nature of Thai-US relations can be characterised as a move from a "dependency relationship" based on aid and security issues, to a "partnership" focussing primarily on economic issues.

During Thursday's meeting, which is seen by the Thai side as a follow-up to last year's Tokyo meeting, the Prime Minister will also inform President Bush of his Government's significant commitment to progress, especially considering the limitations of Thailand's internal political situation.

The drafting of four drug bills, which unanimously passed their first readings in Parliament last week, will be offered as one example of Thailand's committment to working closely with the US Government on narcotics suppression. Deputy Secretary-General to the Prime Minister, Dr Bawonsak Uwanno, regards last week's developments as demonstrating the "major political will" of the Thai Parliament. The four bills, said Dr Bawonsak, though they almost contradict the Thai legal system, received support from the Opposition, who proposed two of them.

The legislation, which includes a Conspiracy Law and a law concerning the seizure of assets, took a US Embassy official in Bangkok by surprise with the speed of their passage through the House. Also, the apparent discrepancy between the US Administration's desire to use Thailand as a go-between to maintain a dialogue with the Burmese Government and attempts in the US Congress to restrict this dialogue will be raised by the Thai side.

On outstanding economic and trade issues, Gen Chatchai intends to show substantive developments. For example, now that the US is a signatory of the Berne Convention the copyright issue should not be a problem between the two countries.

A patent bill drafted by a new committee, awaits input from the on-going GATT negotiations since the substance of this bill must be in accord with multilateral, rather than bilateral, agreements.

A new trademark law has been drafted and is in line for discussion at the next parliamentary session, and the cigarette import issue is now pending a decision by GATT.

On Indochina, US support at last week's Tokyo meeting of the four Khmer factions was described as "highly satisfactory" by the Prime Minister's advisers. According to adviser Phansak Winyarat, a key achievement of the Tokyo meeting was that "for the first time the US has something to work with.

"Now that we are on the path toward establishment of a Supreme National Council we have created options for involvement, be they formal, informal, bilateral or by the Permanent Five (members of the UN Security Council)."

The Prime Minister will also tell President Bush about Thailand's continuing effort to achieve a comprehensive solution in Cambodia, which includes a visit to Bangkok by Japanese Foreign Minister Taro Nakayama after the prime minister returns from the US.

Gen Chatchai is expected to meet in Vienna tomorrow Claude Martin, director-general of the French Foreign Ministry's political department, who is responsible for the Paris Conference on Cambodia.

Trade Issue Will Not 'Disrupt' U.S. Relations

BK1406095690 Bangkok MATICHON in Thai 14 Jun 90 p 3

[Article by Wibunphong Phunprasit: "The U.S. Foreign Policy That Has an Impact on Thailand While Chatchai Is Paying Bush a Visit"]

[Excerpt] [passage omitted] Although the United States wants to maintain its free trade policy, President George Bush, who has administered the country since January 1989, is not in a position to do things conveniently. This is because the present U.S. Congress consists of more members of the Democratic Party—an opposition to Bush's Republican Party—which forms a majority in the House and Senate.

Moreover, with pressure from interest groups in the country, the Congress passed a trade bill in 1988 called the "Trade Act of 1988." This trade act included more trade protectionism measures for Section 301. The new bill, dubbed "Super 301," focuses on a legislative measure that forces the U.S. President to implement retaliatory measures against any trading partner of the United States that treats U.S. exports unfairly. The U.S. Trade Representative Office was established to implement these U.S. trade measures on behalf of the President. This was an effort by Congress to separate the international trade administration policy from the international relations policy for which the president is directly responsible.

In conclusion, it can be said that, at present, the relationship between Thailand and the United States has remained unchanged because both countries still have mutual understanding in several other important areas, such as peace in Cambodia.

The trade conflict between Thailand and the United States has resulted from Thailand's successful economic development, particularly with exports, which turns the two countries into trade competitors. Therefore, both countries will have to continue to find measures to solve this problem.

When the economy of the United States begins to improve, such bilateral trade conflicts will reduce because the relationship between the two countries, which has existed for more than 150 years, is far more important than any other matter. In particular, the trade dispute is not important enough to disrupt the overall beneficial Thai-U.S. relationship in today's world political structure.

Khun Sa Offers To Help U.S. End Heroin Trade

BK1406005990 Bangkok BANGKOK POST in English 14 Jun 90 p 3

[Text] Chiang Mai—Opium production reached 2,200 tonnes this year and the United States would need to change its drug policy if it is to eradicate this narcotic, a close aide of Khun Sa said yesterday. The Americans' anti-drug policy has been in force since the time opium production in the Golden Triangle was only 600 tonnes.

The steady increase in output indicates the policy is a flop, said Khuensai Jaiyane, chief liaison officer to Khun Sa. Khuensai said the US would need a political initiative to deal with the heroin problem in the Golden Triangle, backed up by development projects to enable the Shan producers to switch to another livelihood. "The Americans come to buy heroin from us and we are blamed for it. Do they want us to wear tree leaves and eat grass?"

Khuensai said Khun Sa sent a letter to US President George Bush proposing to cooperate with the US to eradicate heroin production in the area. He said the letter from Khun Sa was expected to reach President Bush about the same time Prime Minister Chatchai Chunhawan arrives in Washington today.

Khun Sa is ready to give his full cooperation when the two leaders discuss narcotics. "If the President wants the eradication of narcotics in the Golden Triangle and the Shan States and if he does not want to contact me directly, he can go through the Rangoon government," the letter said.

In the letter, Khun Sa also pledged to cooperate "only in narcotics matters" with the Rangoon government—"whoever comes to power."

Khuensai said he hoped the US would not accuse Khun Sa of extortion again because if they do, "we can say the same applies to them." He said the US is using anti-narcotics policies which cost hundreds of millions of dollars increasing to thousands of millions, but is still unable to eradicate narcotics.

The main smuggling routes for narcotics out of the Golden Triangle are still through Thailand, despite Thai efforts to stop them. Some shipments go through Rangoon. "It's easy to bribe some Rangoon officials," he said.

The United States says almost half the heroin flooding its cities originates from poppy fields on the mountains where the borders of Thailand, Burma and Laos meet, forming the Golden Triangle. Most comes from Burma.

Khun Sa considers his indictment by a US court on heroin smuggling charges unacceptable, his aide said. Thai authorities had not handed over Police Major-General Wet Phetbarom, who was separately indicted on similar charges. A senior Thai official had assured the aide there would no cross-border raid to grab Khun Sa.

Thailand's role in the drugs war will be a main topic of Prime Minister Chatchai's talks with US officials during his visit to Washington. US drug fighters say that although cooperation in suppressing the trade is good, it is hampered by corrupt officials.

Khuensai also said 70 soldiers of Khun Sa's army have been killed and more than 300 wounded in battles this year with the rival Wa army over control of the smuggling routes. He claimed 600 Wa fighters had been killed or wounded. Fighting subsided this month, he said.

Khun Sa portrays himself as the head of an ethnic independence movement involved in the heroin trade as a means to support their struggle.

Meanwhile, Khuensai said that Khun Sa's political arm, the Tai Revolutionary Council [TRC], will hold a summit with the Shan State Progressive Party [SSPP] soon to discuss the possible formation of an alliance to boost its bargaining power with Rangoon. The talks with the pro-communist Shan movement was hoped to lead to the merger of all minority groups in the Shan States, Khuensai said.

The Pa-o and Palaung groups have agreed in principle to join the alliance if the TRC and the SSPP agreed to merge.

Possible Meeting With PRC, SRV on Cambodia

BK1406012990 Bangkok THE NATION in English 14 Jun 90 p 3

[Text] Peace talks on Cambodia involving China, Vietnam and Thailand are likely to take place early next month if a Sino-Vietnamese meeting now going on in Hanoi bears "positive" results, a source told THE NATION yesterday. Indonesia and Laos are likely to be included in the peace forum to form the basis of a "regional" framework for the talks.

China decided to participate in the regional peace talks after intensive discussions between Chinese Vice Foreign Minister Xu Dunxin and Permanent Secretary of the Foreign Ministry M.R. Kasemsamoson Kasemsi last week. Xu, authorized to find out from Thailand and Vietnam whether such a regional meeting should be held or not, is now in Hanoi discussing the idea with a Vietnamese vice foreign minister.

Vietnam suggested in March that a trilateral meeting among China, Vietnam and Thailand be held to settle the Cambodian problem within a "regional" framework, but China rejected the idea saying the situation was not yet mature. The tripartite peace talks were proposed after the "Jakarta Informal Meeting" failed three times.

Thailand is for the tripartite talks and is now waiting for China's final decision to join the meeting. According to the source, Xu told Kasemsamoson that the situation was now "ripe" for the tripartite meeting, with only some "technicalities" to be ironed out between China and Vietnam on the issue of the creation of a Cambodian supreme national council [SNC] and the UN role during an interim period pending elections.

Former Deputy Prime Minister Chawalit Yongchaiyut was also informed about China's decision by Chinese Foreign Minister Qian Qichen during his "secret" trip to Beijing after the conclusion of the Tokyo meeting on Cambodia early this month. The Tokyo meeting saw a ceasefire agreement being signed by Cambodian resistance leader Prince Norodom Sihanouk and Phnom Penh Prime Minister Hun Sen.

Xu is now negotiating with Vietnamese Vice Foreign Minister Tran Quang Co on the technicalities, including assigning a balanced proportion of powers to the SNC and a UN international control mechanism to observe a ceasefire, to verify foreign troop withdrawal and cessation of military assistance to Cambodian factions and to supervise the elections in Cambodia.

Minister Rejects Military Call for Reform

BK1406014590 Bangkok THE NATION in English 14 Jun 90 p 5

[Text] Chat Thai secretary general Banhan Sinlapa-acha yesterday raised objection to a proposal by the military to bar a prime minister from appointing MPs [members of parliament] to his Cabinet, contending that MPs are the most qualified and nobody else. The proposal, floated by Assistant Army Chief-of-Staff Lt Gen [Lieutenant General] Chamlaeng Uchukomon on Tuesday [12 June], was apparently seen by Banhan as a snub to MPs who have come under fire from the military for being corrupt.

Political observers believe that the statement was also aimed at stirring opposition to the ruling Chat Thai Party's plan to split bloated ministries and increase Cabinet portfolios to appease MPs in the government.

Banhan aired his views against the proposal as the Sayamanusati Radio Programme, the mouthpiece of the military, broadcast a lengthy comment on Gen Chawalit Yongchaiyut's resignation as deputy premier and defence minister and Lt Gen Chamlaeng's remark that it was high time there was "a clear-cut separation between the executive and legislative branches".

"The idea of a clear-cut division between legislators and Cabinet members is nothing new and I wonder who was really behind the renewal of the concept," Banhan said, hinting that there was an ulterior motive behind the proposal. "I don't think it is appropriate to curb MPs' rights because their responsibility is to monitor and control the performance of the Cabinet," Banhan said.

The interior minister said such a political restructuring required a constitutional amendment. He said that critics of MPs should face the fact that MPs are aware of the people's grievances and problems more than non-elected political appointees. "I think it would be a mess if MPs are barred from Cabinet portfolios. Who else would become Cabinet members then?" he said.

Banhan said the political situation at present had returned to normal and the SET [Securities Exchange of Thailand] index had started bouncing back after a plunge by about 40 points on Monday in the wake of Chawalit's resignation.

"There is nothing serious about the government's relations with the military now that the rallies by army troops on Monday have dispersed. Prime Minister Chatchai Chunhawan had already settled the issue with armed forces leaders before he left for the United States on Monday night," he said.

The Chat Thai minister said army troops, angered by MP's Office Minister Chaloem Yubamrung's criticism against Chawalit, only vented their frustration to display their dignity.

Chaloem's corruption charges against Chawalit apparently caused the latter's resignation. The unidentified commentator of the Sayamanusati Programme, however, said Chawalit resigned because he had a strong desire to fight corruption as deputy premier in charge of security matters and that he realized that he could not achieve that goal.

Banhan downplayed his call for Chat Thai MPs to prepare themselves for a general election at the meeting of party MPs on Tuesday. "I mentioned it in the general context that MPs must always be prepared for elections," the Chat Thai secretary said. He added that the party did not have a qualified candidate to run in the Lamphun by-election, to be held soon following the resignation by former Solidarity MP Saman Chomphuthep in light of an irregularities scandal.

Banhan joked: "We have not found a beautiful girl for the pageant just yet."

Paper Assesses 'Loser' After 11 Jun Events

BK1206014990 Bangkok THE NATION in English 12 Jun 90 p 8

[Editorial: "The Real Loser"]

[Text] An interesting contrast between the emerging democracies in eastern Europe and Thailand is that democratic political development in the former far outpaces economic reforms; whereas in Thailand democratization cannot keep pace with rapid economic growth. However, the result in both cases is similar in one respect: the rising expectations of the people are not being met, which could lead to serious political consequences.

Ignoring for a moment the utter unevenness of social development, Thailand's economic achievements in recent years have been impressive. Last year the Thai economy expanded by over 10 percent. Reserves of foreign currency have grown from $2 billion, during the recession of the early 1980s, to over $13 billion. The recent influx of foreign investment and the continuing tourism boom will further boost the reserves and strengthen the Thai baht. The credit rating of Thailand is now in the 'A' group and may soon be upgraded to the 'A-plus' group if Thailand can comply fully and quickly with Article 8 of the International Monetary Fund obligations.

Even though the Chatchai administration often denies that it is striving for international recognition as a newly-industrialized country (Nic), the world is talking about Thailand becoming a Fifth Tiger in East Asia, following in the footsteps of Hong Kong, Singapore, Taiwan and South Korea. Thailand is in an ideal position to serve as the regional gateway for trade and tourists to Indochina and southern China.

Politically, however, the country has not had much to crow about. Supposedly the most important achievement of the last 14 years was the rise to power of Gen [General] Chatchai Chunhawan, a retired Army general and an elected MP [Member of Parliament]. The Chatchai administration has seldom missed any chance to point out that it is the first "democratic" (civilian-led) government since 1976. But this image has lost its lustre as this government is stubbornly opposing all attempts to abolish its press-control tool, Decree 42.

While the government tries to control the press and manipulate its TV stations (Channels 3 and 9) to serve its purposes, it seems powerless when it comes to the two TV networks (TV Channels 5 and 7) owned or run by the Army. Thus, with some strange feeling of satisfaction, we saw the Army flexing its muscle on Channel 5, ostensibly during a news programme in which several key generals were shown telling their troops—and the audience at home—that in the military "honour must come before discipline" and that they will not tolerate any more "insults" by politicians.

This was enough to spread fear in the Securities Exchange of Thailand [SET], where panic selling drove the SET index down by nearly 43 points—the sharpest decline in one day this year. Many would-be foreign investors may now pause a long while to figure out what is happening in Thai politics.

On the surface, the current crisis was started by the verbal skirmishes between Deputy Prime Minister Gen Chawalit Yongchaiyut and PM's [Prime Minister's] Office Minister Chaloem Yubamrung over who is corrupt and who is not. The quarrel was quickly blown out of all proportions when some army generals took the attack on Chawalit as an attack on the Army itself, as Chawalit is the ex-army chief and ex-supreme commander.

The Chatchai administration, particularly Premier Chatchai, invited Chawalit to join the government after the general resigned from the military last March. But why did the so-called "democratic" government co-opt the ex-army chief? Was it because the premier expected Chawalit to shore up his administration? Or was it because he wanted to remove Chawalit and clear out the promotional backlog in the army? Whatever the reason was, it turned out that Chawalit's arrival did not strengthen the government to any meaningful extent. Some key government politicians reportedly objected to the premier's promise to groom Chawalit as a political successor. Chaloem's attack on Chawalit was widely seen as an attempt by these politicians to discredit Chawalit and keep him from rising to the premiership after Premier Chatchai leaves.

Premier Chatchai took a calculated gamble by inviting Chawalit to join the government. He lost yesterday when Chawalit tendered his resignation. Unfortunately, the Thai economy as a whole was the biggest loser of all.

Let's hope that Thai politicians will learn from this lesson and depend more on themselves rather than on anyone outside the government. Don't count on a quick fix, especially as far as political stability is concerned. Remember the best bet is always on the people, not on any strongman or ex-army chief.

Further Commentary on Chawalit Resignation

BK1306133590

[Editorial report] Four Thai-language dailies—SIAM RAT, MATICHON, THAI RAT, and BAN MUANG—on 13 June carry three editorials and two columns commenting on the resignation of General Chawalit Yongchaiyut, deputy prime minister and defense minister.

SIAM RAT's 500-word editorial on page 8, entitled: "Political Delusion," comments that those who expect a military coup or a parliamentary dissolution after General Chawalit Yongchaiyut's resignation from the deputy prime minister and defense minister posts, are the old-fashioned. It says there should no longer be such worries now because in the modern days only the most serious case of social disorder or economic collapse can justify a coup.

The paper states that a coup prompted by other than these causes will result in broad popular opposition, not only from the students but also from the people of all walks of life, if the coup is done for the benefit of a certain group only.

"The recent remark by the Army commander, General Suchinda Khraprayun, that soldiers must uphold dignity and discipline, and respect order, shows that the military has accepted modern social norms. Therefore, there is no reason for anyone to worry about a coup just because of such a minor case that some politicians criticize the military," the editorial points out.

"Should there be a revolution nowadays, it should be an economic and social revolution," concludes the paper.

MATICHON's 800-word editorial on page 8 entitled: "Good Example From Chawalit's Resignation," praises General Chawalit for his resignation, saying that it has greatly defused political tension, and lessened a conflict between the political and military circles. It states that Chawalit has sacrificed his own benefit for the public interests and his resignation reflected his integrity and honor and the dignity of the Thai Armed Forces.

The paper adds such a sacrifice, determination, and political spirit as expressed by Chawalit can hardly be found in the politicians today. It notes that, on the contrary, many politicians are corrupt and shameless and these people will only create various problems incessantly. "What has happened to Chawalit is a highly valuable example for the politicians at present—those who have just entered politics as well as those who want to come into this arena in the future—that they could fall political victims at any time and under any circumstances," the paper stresses.

The 500-word THAI RAT editorial entitled: "New Version of Government," on page 3 notes that the resignation of Gen. Chawalit will greatly affect the stability of the government because "it could imply that the Army has withdrawn its support for the government under the leadership of General Chatchai Chunhawan."

It points out three alternatives for the Chatchai government to regain support from the Army: "First, the prime minister dissolves the Parliament in order to have general elections after which a new government can be formed. Second, the prime minister resigns from the prime ministerial post thus the whole cabinet will automatically lose its status. A new government will then be formed with the Chat Thai Party playing the key role. And third, the prime minister reshuffles the cabinet in three portfolios—the deputy prime minister post which was held [by] Chawalit, and two other ministerial posts currently held by Trairong Suwannakhiri and Police Captain Chaloem Yubamrung—or makes a greater cabinet reshuffle."

In conclusion, the editorial says it is expected that Chatchai would chose one of the first two alternatives.

Also in the same paper, an 800-word column on page 5 by "Plaeo Si-ngoen," points out that according to the Army policy which Army Commander Gen. Suchinda has stated that "the military will not interfere in politics," it can be said that the military would not stage a coup following the resignation of former Army Commander General Chawalit. The column also says that the conflict between the two ministers—Chaloem and Trairong—and the military is not a sufficient reason for Chatchai to dissolve the Parliament.

"There remains only the last speculation," the column says, "that is Chatchai will resign from the prime ministerial post." The writer predicts that Chatchai would choose to do so after he returns from the official visit to the United States because it would be more convenient for him to form a new government from as many as 11 political parties rather than to reshuffle the present cabinet which consists of only five parties.

On Chawalit's resignation, the columnist comments that Chawalit has done the right thing and at the right time after he has proved his sincerity and ability even though only in a span of 74 days as deputy prime minister and defense minister.

The 1,200-word "Tamolo" column on page 5 in BAN MUANG points out that it has been well known that the military and politicians have been "arch-rivals" for a long time. The writer disagrees with the military on the rally to protest Chaloem Yubamrung and at the same time to protect the soldiers' former "boss" Chawalit. The column points out that Chawalit has become a professional politician and military rallies could make the people feel that "he hasn't come alone in his political path but with the military marching behind him."

"The military rally is not a good image at all and it is just unfair for other politicians," the column says, adding that as Chawalit is mature in all aspects, he can take care of himself, can do everything himself, and think for himself. Therefore, such a military move is unnecessary and could even be "a discredit to Chawalit."

The writer says he does not want to blame the military for lashing out at Chaloem for the officers must have no other choice. The prime minister should have done something but he just did not bother to take any action. "Anyone under such circumstance cannot help go berserk," concludes the column.

Editorial Looks at 'Pseudo-Democracy'

BK1406013590 Bangkok THE NATION in English 14 Jun 90 p 8

[Editorial: "Pseudo-democracy"]

[Text] "Are you tired of democracy?" Prime Minister Chatchai Chunhawan asked reporters accompanying him on his trip to the United States. Most reporters merely smiled in response to the rhetorical question.

It the prime minister really expected an answer, we think he would have to first define what he meant by "democracy." If he equates his premiership with democracy, he has let the chorus of praise about him being the first elected leader of a Thai government in 12 years go to his head. He should know democracy means much more than being led by an elected civilian leader.

Unfortunately, widespread vote-buying tarnishes the glow of winning a general election in Thailand. Perhaps this was why army officers were so angry to hear Deputy Interior Minister Trairong Suwannakhiri saying that getting elected an MP was more difficult than getting appointed a general.

We believe the essence of real democracy lies in the actual implementation of national policies that benefit a majority of the people, by a government whose leaders come to power through free and fair elections. But buying votes already betrays the real intentions of selfish politicians who secretly seek to enrich themselves while in power.

It makes all the talk by government leaders about the need to stop corruption a little hard to take. Instead of the hot air, why not make the Counter Corruption Commission a truly independent body with real teeth to fight high-level corruption? Why not initiate reforms to stop vote-buying, like setting up an independent commission to organize and police national elections?

We are also fed up with the ministers of this " democratic" administration pretending not to understand the implications of clinging to the dictatorial power of Decree 42, which enabled them to close down newspapers at will. Why not abolish the decree unconditionally and let the press play a more active watchdog role? It is still a mystery why these ministers are so afraid of a free press and more newspapers in the market.

But above all, we have seen enough of muscle-flexing by army officers to defend the "dignity" of their institution. There is no need to remind the country that they are still a privileged group, beyond criticism or reproach.

If government leaders only look after their vested interests and military leaders expend their energy defending military honour, who will serve the country or advance the interests of the people?

People who truly love this country and hope the best for its democratic development cannot help but be entirely fed up and disappointed at this situation. Must we continue to hear claims by politicians that we are living in a democracy?

In actuality what we have is at best a pseudo-democracy, where the powers-that-be give lip service to democratic principles while they continue to put personal interests before anything else.

South Tense After Killing of 'Shiite Activist'

BK1106005390 Bangkok BANGKOK POST in English 11 Jun 90 pp 1, 3

[Text] Pattani—Tension in this Muslim-dominated southern province rose yesterday after Saturday's fatal shooting of a Shiite activist by gunmen suspected by local Muslims of being involved with police or military officers. While not blaming the authorities for the killing, Muslim spiritual leader Chula Ratchamontri [title for Muslim community leader] Prasoet Mahamad urged local government officials in the southern border provinces to exercise restraint in dealing with Shiite radicals.

"Wrong-doers should be sent to court to ensure justice, or the situation may get out of control," Chula Ratchamontri Prasoet said.

Vaedoloh Vae-arlee, 36, was fatally shot on Saturday morning in Pattani's Muang district: Vaedoloh was reportedly a key supporter of a radical Shiite group in the province whose leaders are being sought by the authorities on security and lese majeste charges for a rally the group led at the Kruze mosque last week.

Vaedoloh had a house near the unfinished 17th century mosque and supplied electricity and water to the Kruze rally participants. While he was riding his motorcycle on Paetchakasem road, about a kilometre from the mosque, Vaedoloh was shot twice in the back of the neck with a .38 caliber pistol.

Local police and military officers denied involvement. Police said preliminary investigation points to a personal conflict as the motive for the shooting.

One local Muslim in his village said Vaedoloh was responsible for religious activities during the Kruze rally and was close to fugitive Shiite radical Sorayuth Sakunnasantisat. The source said villagers believed that Vaedoloh's murder was related to his involvement with the Shiite group and suspected that the law enforcement authorities were responsible.

Pattani Islamic Committee chairman Haji Wahap said he regreted Vaedoloh's death and was very worried that the situation would turn violent "if the Government resorts to violent means to deal with radical Muslims".

"Local people in the Kruze village talked about Vaedoloh's death and believed that local officials were behind the killing. If local officials were behind the shooting I think the situation would soon turn more violent," Hayi Wahap said. He shared the Chula Ratchamontri's views that all law-breakers should be handled in the courts. Haji Wahap confirmed that Vaedoloh was one of Sorayuth's key supporters in the village.

Chula Ratchamontri Prasoet will today fly to the South for his annual visit with Muslim leaders in the five southernmost provinces. He warned local security officials not to take the law into their own hands as it would worsen the situation. However, he added that local officials should not be blamed for the killing because he saw no reason why they should resort to such a method.

"All Muslims in the country should hold high respect for our country's three institutions: Nation, Religion and the Monarchy. I would accept if a court decided to execute our brethen Muslims but if local officials resort to a such means then I would deeply regret it."

He admitted concern for the situation in Pattani, where a radical Muslim group has tried to stir up tension. Against such Muslims, the Chula Ratchamontri urged local officials not to hesitate in taking tough legal action. However, during his two-day trip to the South, he would call on senior officials to exercise more caution in dealing with Muslims in general. "Innocent people should not be threatened and law-enforcers should be more careful in maintaining law and order," he said.

Police sources in the province said they have issued four arrest warrants—two of them for key organisers of the Kruze protest, Yazeen Abdullahman and Sorayut, and two others suspected of attacking and severely injuring Police Lt-Col [Lieutenant-Colonel] Prasoet Satsadiphan during the rally.

Provincial chief police Col [Colonel] Sutham Wannatum yesterday said four or five radical Muslims on Saturday had removed a sign from the Kruze mosque to show their defiance of the Government. The sign gave details about the mosque, which was declared a historical site in 1935. The protesters wanted the status revoked so the mosque could be renovated.

Radical Muslim sources said they were planning a "counterattack" on the Government for the murder of Vaedoloh. They would not elaborate.

Administrative sources yesterday disclosed that Pattani was joining hands with the provincial Islamic Committee to hold seminars for Muslim leaders from Muang, Khok Pho, Mayo and Sai Buri districts to inform them on the situation in the province. Sources said the Government is concerned that local Muslim leaders might be misinformed about the shooting.

Sunthon Says Kruze Rallies Definitely Banned

BK1306152990 Bangkok Army Television Channel 5 in Thai 1230 GMT 13 Jun 90

[Text] There have been no incidents reported at the Kruze mosque nor in other areas of Pattani Province over the past two days. The two explosions which took place recently were not a result of the separatist movement. At the Kruze mosque today, there was no indication whether the rally planned for 15 June under a religious pretext would really be carried out. The 4th Army Region has over the past week stepped up reinforcements and patrols day and night to ensure security in the area.

Supreme Commander General Sunthon Khongsomphong this morning flew from Bangkok to the Ingkhayut Borihan camp in Pattani for a meeting with local officials on the latest developments. Lieutenant General Yutthana Yaemphan, commander of the 4th Army Region, and senior officials from five southern provinces attended the meeting. The supreme commander said that rallies at the Kruze mosque are definitely banned on 15 June

[Begin Sunthon recording] Fortunately, the Muslim spiritual leader, Chularatchamontri, yesterday came here to talk to Muslims of the southern provinces. He gave clear instructions for Muslim community leaders to follow. He does not support the actions of those people who resort to violence, using religion as a pretext. [end recording]

It has been confirmed that two of the leading Shiite radicals who instigated the rally under the pretext of political and religious reasons have fled. Sorayut Sakunasantisat reportedly fled through Ranong to Bangkok, while Phairot Sasanaphiban sneaked out of the country.

[Begin Sunthon recording] Those having warrants for their arrest have escaped. It has been confirmed that one of them has fled the country. We are checking into which route he used to leave the country. If he left by airplane we can discover his destination, but if he fled without passing through immigration, we will not be able to trace him unless we ask for help from our neighboring country. [end recording]

Activities claimed to be religiously motivated are still under way in the three southern provinces, and there is no guarantee that June 15 will be free from untoward incidents.

Vietnam

Radio Reports 'Unofficial' Meeting With PRC

BK1406120890 Hanoi Domestic Service in Vietnamese 1100 GMT 14 Jun 90

[Text] An exchange of views between Vietnam and China was held in Hanoi from 11 to 13 June over the Cambodian issue and bilateral relations. The Vietnamese delegation was led by Deputy Foreign Minister Tran Quang Co, and the Chinese delegation by Assistant Foreign Minister Xu Dunxin. Also present at the talks were Vietnamese Ambassador to China Dang Nghiem Hoanh, Chinese Ambassador to Vietnam Zhang Dewei, and a number of diplomatic cadres belonging to both sides.

This unofficial meeting between Vietnam and China—which was a follow-up of the unofficial talks held in Beijing in early May between Vietnam's First Deputy Foreign Minister Dinh Nho Liem and Chinese Assistant Foreign Minister Xu Dunxin—was held while Xu Dunxin was paying a visit to Vietnam as the guest of the Chinese ambassador in Hanoi. The exchange of views took place in a friendlly atmosphere and helped enhance the understanding between both countries.

On 13 June, Foreign Minister Nguyen Co Thach received Assistant Foreign Minister Xu Dunxin and his entourage prior to the Chinese delegation's departure from Hanoi for Ho Chi Minh City, where it would travel to Bangkok on its way back to China.

Australian Trade Delegation Arrives 13 Jun

BK1306152090 Hanoi VNA in English 1448 GMT 13 Jun 90

[Text] Hanoi VNA June 13 - An Australian ministerial-led trade mission headed by Senator John Button, minister for industry, technology, and commerce, arrived here today for an official working visit to Vietnam.

The mission, including 10 government officials and 19 businessmen representing 14 corporations in Australia, was welcomed at the government guest house here by Hoang Minh Thang, minister of trade.

National Assembly 7th Session Opens 14 Jun

Delegates Prepare

BK1306155590 Hanoi Domestic Service in Vietnamese 1430 GMT 13 Jun 90

[Text] National Assembly delegates throughout the country gathered in Hanoi on the afternoon of 11 June to prepare for the seventh session of the eighth National Assembly. The National Assembly delegates had previously met with voters to solicit their opinions about issues to be discussed at this session. They also held group discussions to review the implementation of the resolution of the sixth session of National Assembly by the localities under their charge.

The National Assembly Nationalities Committee and other standing committees recently met many times to make final reviews of the various draft laws and reports to be read before the National Assembly session. On 12 and 13 June 1990, the National Assembly delegates studied various documents and exchanged views on the projected agenda of the session. The National Assembly will hold a preparatory meeting this evening, 13 June, and will solemnly open its seventh session tomorrow morning, 14 June, at the Ba Dinh Conference Hall in Hanoi.

News Conference Held

BK1406012890 Hanoi Domestic Service in Vietnamese 2300 GMT 13 Jun 90

[Text] On 13 June, comrade Vu Mao, head of the Office of the National Assembly and the State Council held a news conference to introduce the agenda of the seventh session of the SRV Eighth National Assembly. Attending the conference were many press attaches from foreign embassies, representatives of international organizations, and a large number of newsmen from foreign mass media agencies.

Comrade Vu Mao said the seventh session will be held from 14-30 June in Hanoi. In this session, the deputies will spend time discussing and adopting various laws such as the law on trade unions, the maritime law, and the law on taxation. They will also amend some provisions of the criminal procedure code and the foreign investment law. This session will adopt many laws to meet social requirements and for state management to ensure a peaceful life for the people and so forth. The National Assembly deputies will also hear reports on the socioeconomic situation during the past six months and the remaining period of the year as well as other important reports to be presented by ministries and agencies attached to the Council of Ministers.

Comrade Vu Mao answered many newsmen's questions related to the seventh session of the Eighth National Assembly.

Officials Give Reports

BK1406063090 Hanoi Domestic Service in Vietnamese 0500 GMT 14 Jun 90

[Text] This morning, on 14 June, the seventh session of the SRV Eighth National Assembly opened at the Ba Dinh Conference Hall in Hanoi with 466 of the total 495 National Assembly deputies in attendance. Prior to the opening session, the deputies paid a floral tribute to President Ho Chi Minh at his mausoleum.

Attending the session were comrade General Secretary Nguyen Van Linh, Council of State Chairman Vo Chi Cong, Council of Ministers Chairman Do Muoi, Adviser to the Communist Party of Vietnam [CPV] Central Committee Pham Van Dong, and many other party and state leaders. Also attending was a large number of newsmen from mass media agencies at home and abroad.

National Assembly Chairman Le Quang Dao delivered an opening speech. Afterward, National Assembly deputies heard Minister of Communications, Transportation and Posts Bui Danh Luu, who spoke on behalf of the Council of Ministers, report on the draft martime law. This was followed by Chairman of the National Assembly Judiciary Committee Mrs. Ngo Ba Thanh who delivered an investigative report on this draft law, Minister and head of the State Commission for Cooperation and Investment Dau Ngoc Xuan who delivered a report on the draft law on amendments to some provisions of the Vietnam foreign investment law, and the National Assembly Judiciary Committee Chairman who delivered an investigative report on this draft law.

Earlier, the National Assembly heard the Chief Procurator of the Supreme People's Organ of Control report on the draft law on amendments to some provisions of the criminal procedure code and an investigative report on this draft law by the National Assembly Judiciary Committee Chairman.

The National Assembly also heard a representative of the Confederation of Vietnamese Workers report on the completion of the law on trade unions which has been revised after soliciting ideas from deputies at the sixth session of the National Assembly, various echelons and sectors, and mass organizations. A representative of the National Assembly Judiciary Committee presented its viewpoints on this law.

The seventh session of the National Assembly will continue its plenary meeting this afternoon at the Ba Dinh Conference Hall in Hanoi.

General Analyzes Important Role of Army Cadres

BK1106095590 Hanoi QUAN DOI NHAN DAN in Vietnamese 15 May 90 pp 1, 4

[Article by General Nguyen Quyet: "Uncle Ho and the Building of the Contingent of Party Cadres in the Armed Forces—Some Topical Issues"]

[Text] Uncle Ho is the people's Armed Forces' beloved father because he laid the ideological and organizational groundwork for the building of the Vietnam People's Army [VPA], a new military organization of the Vietnamese working class and people. Imbued with President Ho Chi Minh and our party's standpoints and concepts, the people's Army has gone through many challenging yet glorious stages of development, has constantly matured, has gone from one victory to another, and has fulfilled all tasks assigned by the party.

As far as the task of building the Army is concerned, Uncle Ho attached special importance to the selection, training, and improvement of the contingent of cadres. He once said: "Whatever work or policy is involved, cadres always play an essential role. Cadres' competency is the key to success." Even when our country was still under the yoke of slavery, Uncle Ho knew how to select good candidates for overseas Marxist-Leninist training. These candidates were then sent back for revolutionary activities in Vietnam, which was then a land of suffering and an unyielding struggle. Uncle Ho himself ordered the formation of the Vietnam Armed Propaganda Unit, one of the former organizations of the Vietnam People's

Army. He stressed the need to make constant, sustained, and painstaking efforts to train and improve cadres because, in his words, "for the interests of a decade, one must plant trees, but for the interests of 100 years, one must shape men." "Just like a horticulturist who takes good care of his valuable plants," Uncle Ho devoted his whole life to training the contingent of party cadres, including party cadres in the Armed Forces. One of the priceless things which our party and Army have inherited from Uncle Ho is a contingent of experienced cadres capable of following his revolutionary path and leading our party and people's revolutionary undertaking to final victory. Before departing from life, Uncle Ho did not forget to remind us that "it is very important and very necessary to train revolutionary fighters for future generations."

Given the current complicated developments of the international and national situations, we must firmly grasp Uncle Ho's viewpoints and concepts on building the contingent of cadres. In this way, we will be able to correctly understand and resolve today's burning issues; renovate the contingent of party cadres in the Armed Forces, and improve the Armed Forces' quality; guarantee great unanimity of mind and action between the entire party, Army, and people; and vigorously accelerate the socialist renovation process initiated by the sixth party congress.

Results of our research on Uncle Ho's standpoints and concepts on cadre-related work have indicated that only concrete approaches had been used to study and resolve the various issues related to this work. Uncle Ho always kept cadre-related work within the context of the revolutionary, political, and military lines adopted for each specific stage of development. He constantly based his studies on political and military lines and tasks in order to formulate the concrete requirements for cadres to meet in quality and competency. Furthermore, he used the concrete lessons derived from the implementation of party and state standpoints, policies, and lines to educate cadres, which in turn, would help them contribute to adjusting and developing party and state viewpoints, policies, and lines, thus creating conditions for advancing the revolutionary undertaking a step further. In wartime, Uncle Ho constantly made party cadres in the Armed Forces fully aware of the revolutionary situation, revolutionary objectives, and military tasks. He helped them rectify mistakes in such strategies and tactics as the all-out, protracted people's war strategy. He taught them about the invincible strength of the all-people war; the spirit of independence, self-sufficiency, and self-help; the difference between conventional warfare and guerrilla warfare; the importance of combat and unit-building activities; the coordination between the three troop categories; the need for unity between the Army and people as well as between members of the Armed Forces; and the importance of international solidarity.... He strongly criticized purely military concepts which attach importance to military matters and not to politics, to troops and not to the people, to conventional warfare and not to guerrilla warfare, to modern weapons and not to rudimentary weapons, to the national aspect and not to the international aspect....

Given the guiding thoughts provided by Uncle Ho, stemming from the new policies and principles of renovation set forth by the Sixth CPV Congress and plenums of the party Central Committee and the Political Bureau, and through the process of implementing our renovation undertaking including military renovation—both in national defense and the Army—we must strive to build a contingent of exemplary cadres in the Armed Forces, struggle to promptly overcome erroneous concepts, eliminate opportunist and degenerate elements, and contribute to vigorously accelerating the renovation in the right direction.

Uncle Ho attached special importance to strengthening the revolutionary characteristics and political capability of the working class and cadres of the Armed Forces. He said: "Military without politics is like a tree without roots, it is useless and harmful." He urged that the most important thing for cadres is that, under all circumstances, they must firmly grasp the revolutionary basic objective and set a correct political path. They must also depend on the development of situations in each stage to formulate correct, creative, and flexible policies and strategems to step by step achieve the final goal. They must adhere to the morals and ethics of party cadres in the Armed Forces which include: "Loyal to the nation and faithful to the people," and "Loyal to the party, faithful to the people, and ready to fight and sacrifice themselves for national independence, freedom, and socialism; and to fulfill all tasks, overcome all difficulties, and defeat all enemies."

Uncle Ho taught that the path toward final victory is not sprinkled with flowers, especially in the class struggle to eliminate the old regime and establish a new administration. To fulfill our final goal we will inevitably encounter obstacles, difficulties, ordeals, and even temporary failure, but revolutionary combatants must maintain an optimistic attitude and firm confidence in the future. During his years in prison, Chiang Kai-Shek, with a spirit of optimism in an inevitable victory for the revolution, wrote a poem depicting the law of the revolutionary struggle which read: "When winter's frost and chill fade away, will spring's splendor come here to stay."

On a practical level, Uncle Ho taught cadres to maintain a firm stand and correct concepts at various turning points of the revolution. At these stages, many cadres tended to adopt both an optimistic and pessimistic attitude while Uncle Ho urged them to firmly strengthen their political capability and maintain courage to face the truth, try to have a thorough understanding of the event, and analyze the situation in a scientific fashion so as to find the cause and formulate a correct policy for new achievement. He taught: When we gain victory, we should not be supercilious, self-satisfied, and subjective; when facing shortcomings, we must seriously conduct self-criticism and criticism to draw on experiences because "we learn from mistakes." After each campaign and operation, Uncle Ho would visit military units to encourage them to conduct self-criticism and criticism to find out the positive and negative sides of each campaign and operation so as to avoid shortcomings and gain even greater achievements in the next endeavor.

In the current revolutionary stage, the class struggle in the world is very complicated. Socialist countries in East Europe have experienced an unprecedentedly acute crisis. The enemies have capitalized on loopholes and weaknesses in the transition period toward socialism in order to eliminate socialism in each country and the world as a whole. In our country, the renovation cause has scored significant achievements, but our nation has not yet overcome the socioeconomic crisis. While a large number of our cadres adopted a firm, correct attitude holding that the renovation cause is an objective requirement for perfecting socialism, more than a few of them adopted a deviated stand and concept which, at times, are consistent with the imperialist schemes and aimed at eliminating socialism through their "peaceful evolution."

More than ever before, party cadres in the Vietnam People's Army must maintain a firm ideological stand, retain absolute loyalty to the revolutionary cause of the party and people, persist in the objectives of socialism, and firmly adhere to all principles in the party's process of renovation. The Army must always fulfill its functions as a fighting army, a working army, and a producing army. It is also necessary for the Army to heighten vigilance and not to harbor illusion and vagueness. The Armed Forces must be built up and endowed with high quality to suit the new situation. They must also closely attach themselves to the people and all localities, take deep roots in the people, actively participate in mass motivation work, and help struggle against negativism in society. Cadres and combatants in the Army should understand that it is necessary to build a firm all-people solidarity bloc under the party's leadership to serve as the basic guarantee for safeguarding our regime, our proletarian dictatorship, and the people's right to mastery. The Army would also be neutralized if it allowed the people to be agitated and divided by the enemy, thus driving our country to an economic and political crisis.

Uncle Ho always urged our cadres to strive to study and improve their knowledge in order to firmly grasp the scientific and revolutionary substance of Marxism-Leninism, thus enabling them to correctly deal with each task and each person under all difficult circumstances. He said: "The revolutionary undertaking involves a great many complicated circumstances and difficult things. To weigh all the complicated circumstances and to clearly see all the contraditions in order to accurately solve various problems, we must strive to study Marxism-Leninism. Only by studying Marxist-Leninist theory can we improve revolutionary ethics, firmly maintain our stand, enrich our knowledge and political background, and satisfactorily carry out the tasks entrusted by the party. (Footnote) ("Ho Chi Minh on Party Building," Su That Publishing House, 1980, Page 45). Firmly grasping the scientific and revolutionary substance of Marxism-Leninism under the present situation is an extremely important issue. From this issue, we can accurately understand the party's lines and policies in the process of renovation and can develop our creativity to help define the party's lines and policies, safeguard and develop Marxism-Leninism, and overcome erroneous and conservative tendencies and the tendency to abhor or refute the fundamental and other principles of Marxism-Leninism.

Uncle Ho paid great attention to cadre education, which was aimed at improving their theoretical, cultural, scientific, and technical standards in the direction of "intellectualizing workers and peasants." Criticizing the tendency to ignore theory, he said: "Experience without theory is like a person with a good eye on the one side and a weak eye on the other." Uncle Ho was proficient in using and developing the capabilities of the contingent of intellectuals. He urged intellectuals "to stay close to realities and strive to learn from the working people and peasants in the direction of making themselves workers and peasants." The Uncle urged cadres to ensure that study is carried out along with practice and that theory is linked to practice, saying that they must not rely chiefly on theory, books, and the experiences acquired from foreign countries, but must also know how to creatively solve the practical problems of our revolution and our Army.

Based on lofty humanism, Uncle Ho always considered human beings and the masses as the center of life. He instructed cadres to always pay attention to human beings, to ensure that all is for the happiness of the human being, and to rely on the talent and intellect of human beings to advance the revolutionary undertaking and remodel society. This is why he always considered the revolution an undertaking of the masses and educated Army cadres on this basic viewpoint. He said: "The country must consider its people as the roots. It is the people who constitute the main force in the process of resistance and national construction." In the early days of the resistance against the French, faced with the enemy from within and without, our country's independence was placed in a "very critical situation." It was at that time that he called on the entire people to exert efforts to struggle against famine, illiteracy, and flooding as well as against the aggressors in order to improve both the knowledge and the strength of the people in preparation for the sacred, protracted war of resistance.

He said: "Cadres must correctly apply the policies toward the masses, stay close to the people, listen to their aspirations, and learn from their experiences. Cadres must also transform the determination of the party and government into that of the masses and truly pay attention to the livelihood of the people."

Uncle Ho considered the people the source of the Army's invincible strength because "the people are the base, the parents of soldiers." He compared the people to the water and soldiers to the fish. Therefore, soldiers must conduct themselves in such a way as "to make the people look forward to their arrival, regret their departure, and not behave like revolutionary mandarins, which would only make the people detest, despise, and refuse to support soldiers." He condemned pomposity, self-importance, arrogance, and the tendency to regard oneself as the people's savior. He asked that "each member of the Army be turned into a propagandist through practical deeds."

The protracted patriotic war lasting for decades, together with the miraculous victories of the people's war against the brutal wars of aggression waged by big imperialist enemy forces, have taught our Army cadres a profound lesson about the invincible strength of the people in war and in revolutionary struggle. The source of the Army's invincible strength originates from the heroic people under the party leadership.

Today, in the cause of socialist construction and national defense, aside from the achievements already recorded, we have committed numerous shortcomings and mistakes. One of the important causes of these deficiencies has been our failure to satisfactorily implement the viewpoint of "considering the people as the roots" and "considering the people as the master" as Uncle Ho instructed us. Studying Uncle Ho's viewpoint, we will see that this problem was raised in the framework of a very dialectical relationship. The people are the ones who make history, but to mobilize their considerable capabilities in the revolutionary cause and social reforms, a leader must first hold a correct viewpoint and boundless love of the people. He must know how to foster the people's strength and use propaganda and mass mobilization work to raise their political awareness and their standards in all other fields. Most importantly, a leader must know how to use organizational work to really bring into full play the people's right to mastery, thereby enabling them to clearly see that they are the principal members of society and thus prompting them to voluntarily participate in all fields of activities of social life. If this is done, the people will become an invincible, unshakable strength as Uncle Ho affirmed: "A tree can stand firm only if its roots are strong; victory can be achieved only on the strong foundation of the people."

Proceeding from this viewpoint, in building the Army, Uncle Ho taught Army cadres to always rely on the force of the masses of soldiers, to love and care for them, and to foster and arouse all their intellectual potential. Commanders and leaders are the ones who make battle plans, but whether or not victory will be achieved depends to a large extent on the will and the creative spirit of lower-level cadres and the masses of soldiers. For a long time our People's Army has observed the tradition of implementing three democracies: military democracy, political democracy, and economic democracy. Before a battle, cadres and combatants alike may discuss combat tactics in a democratic fashion; after each battle, they are all allowed to make self-criticism and criticism and evaluate achievements, cadres, and wounded and fallen soldiers. In daily life, economic democracy is practiced, with everyone taking part in feeding soldiers. In units that have done a good job of observing the three democracies, there has been unity within their ranks, cadres and combatants have loved one another, high combat efficiency has been achieved, and many new factors have emerged. On the contrary, in units that have unsatisfactorily carried out this task, the internal unit has been jeopardized and squabbles over credit, blame shifting, and negativism have developed.

Uncle Ho requested that cadres must have the mass viewpoint and do their best to care for the spiritual and material life of soldiers. He compared the solidarity between cadres and combatants to the cohesiveness of a human body. He said : "Cadres must consider combatants as their limbs; only then will combatants regard cadres as their brains" and, therefore "will actively and absolutely execute all directives, orders, and plans issued by the upper echelons." He also said: "To soldiers, a political officer must be as close as as a sister, as fair as a brother, and as understanding as a friend." Uncle Ho requested that cadres must have intimate knowledge of "the way of talking, and the joys and the sorrows of soldiers. If cadres share their men's weal and woe, the latter will gladly follow them anywhere, even to the most dangerous places, and will zealously fight when they are ordered to." He instructed cadres to behave in a truly exemplary manner, insisting that "cadres should not complain of hunger if soldiers have not yet eaten, should not complain of cold weather if soldiers are not well-clothed, and should not complain of fatigue if soldiers have not been given sufficient accommodation." The mass viewpoint that Uncle Ho has inculcated in our cadres is a truly shining concept full of humanity and love among people who share the same ideal. This is the invincible strength and the character of a revolutionary army.

In particular, he criticized the manifestations of individualism, officialism, commandism, and alienation from the masses. Officialist persons "like to sit at their desks rather than visit grass-roots units in order to learn about the actual situation...; they like to use administrative orders rather than patiently educate the masses in a fair and reasonable manner. Therefore, the party's correct lines and policies are not thoroughly understood by the masses; their incorrect implementation not only spoils our work but also erodes the people's confidence." He condemned the abuse of position and power and the practice of nepotism which derive from the outmoded expectation that "one who serves as a government official will benefit his whole clan by giving position appointments to his relatives and friends." This is a very bad legacy of the old society which we have been unable to fully eradicate. He considered corruption, waste, and officialism as a kind of "internal devil," "a dangerous enemy who, though armed neither with swords nor guns, is lurking right within our own organization to destroy our work." He urged everyone to fight against this enemy as one would foreign aggressors, for corruption and waste had brought the downfall of a countless number of cadres. Many comrades who endured the hardship of war and remained steadfast in the face of mortal dangers have succumbed to this kind of enemy in peacetime. In the undertaking to build and defend socialism and in the face of the current social situation, resolutely fighting against officialism, corruption, and the enjoyment of prerogatives and privileges constitutes a pressing requirement.

The aforementioned teachings given by our uncle to cadres can be summarized into the following criteria required of party cadres in the Army: firmly maintaining their class stand and political awareness, constantly upholding vigilance against all enemies; having an independent, self-controlled, and creative mind which constantly seeks renovation and is free from dogmatism and conservatism; being imbued with ardent patriotism and pure proletarian internationalism; knowing how to closely combine the strength of the nation with that of our times; and possessing ethical virtues that cannot be shaken by the temptation of riches, poverty, or force.

To develop the strength of the whole contingent as well as of each cadre, the evaluation, fostering, and assignment of cadres is of great importance. It calls for the application of correct concepts as well as expertise in the art of human management. Our uncle's view is that cadres should be fostered, trained, and screened in the course of practical work; through this process, the talented will be discovered and the degenerate eliminated. In his opinion, a cadre's capability does not come naturally; instead, it results, for a greater part, from work and training. He said: "Boldness is needed to promote cadres, but we must clearly know the cadres concerned in order to promote them properly."

In deploying and assigning cadres, our uncle called for exercising utmost impartiality for the sake of common interests. He said: "A general must be just in giving out rewards and exacting punishment. He should neither reward only those he likes nor punish only those he dislikes; nor should he use only those who agree with him and ignore those who frankly voice their protests." Otherwise, he will lose the service of the talented and ruin his work."

As far as cadres are concerned, he always invoked the self-respect of every cadre. He treated them with compassion, tolerance, and generosity without being influenced by bigoted prejudices, and he did not demand that they do more than their capability could deliver. This is because "nobody is pecfect in every respect; we must make use of one's strengths to help him overcome weaknesses.... Using men is just like using wood. To a skillful artisan, all pieces of wood—be they large, small, straight, or crooked—can be properly used for a specific purpose." This is, in effect, the art of using man. In order to encourage cadres to always strive to surge forward, never did he offer more praise than necessary, nor did he ever overlook and fail to crititize cadres and remind them of their shortcomings. He attached great attention to self-criticism and criticism, for in his view, no one can avoid shortcomings in the course of work. The important point is that we must recognize our mistakes and correct them in order to make progress.

Above are some of Uncle Ho's viewpoints and thoughts concerning the undertaking to develop the contingent of party cadres in the Army, which are still very valid to us at present. Recalling his teachings, following the shining examples he set, creatively applying them to the renovation process in accordance with the correct line of the sixth party congress, developing strong points, correcting shortcomings, and actively bringing the quality of the contingent of party cadres in the Army up to the requirements of their tasks are ways to realistically celebrate boundlessly respected and beloved President Ho Chi Minh's birth centenary.

Australia

Hawke Puts Time Limit on Chinese Students' Stay

BK1206160790 Hong Kong AFP in English 1552 GMT 12 Jun 90

[Text] Canberra, June 12 (AFP)—Prime Minister Bob Hawke said here Tuesday [12 June] a time limit would be imposed on the special residence category of nearly 20,000 Chinese students in Australia, prompting the opposition to say that he had further confused the situation.

Last week Mr. Hawke announced that a special category would be created in the national migrant intake for the 19,400 Chinese students who were already in Australia at the time of the Beijing massacre of pro-democracy activists a year ago.

But at a press conference Tuesday, Mr. Hawke said there would be a time limit put on the duration of their stay. He said the cabinet would decide the details later this month on how to deal with the Chinese here.

A period would be needed, Mr. Hawke said, at the end of which "one should be able to make a judgment about the situation in China". He said he assumed that "very, very many" of the Chinese here would want to go home if China returned to some sort of normalcy. "So the intelligent thing to do is to say in regard to these people that we understand your position. We've got to set a period of time which you can stay and by the end of which time it is reasonable to expect that you and we will be able to make a judgment.

"That is not something which is just six months away, but not 10 years away, either."

Mr. Hawke's comments Tuesday led to fresh charges by the federal opposition and Chinese student leaders that he had further confused the situation. He has already been condemned by Beijing for allowing the students to stay. Opposition leader John Hewson said Mr. Hawke by introducing a time limit had backtracked. He said the prime minister was trying to get off the hook after finding national public opinion did not support his "earlier show of selective morality in judging who were and who were not genuine refugees". The national union of Chinese students and scholars in Australia said in a statement it was confused by Mr. Hawke's comments.

Mr. Hawke also reaffirmed that the special category would apply only to Chinese in Australia before the Tiananmen Square crackdown on June 4 last year. The approximately 20,000 who had subsequently come, he said, would be expected to return home in the normal way, although they could apply to the determination of refugee status committee for permission to stay in Australia.

Government Extends Defense Force Chief's Term

BK1406070090 Melbourne Overseas Service in English 0500 GMT 14 Jun 90

[Text] Federal cabinet has again extended the appointment of General Peter Gration as chief of the Australian Defense Force. Radio Australia's Canberra office says General Gration will remain on the job until April 1993.

He has been Defense Force chief since April 1987 and was given a 12-month extension last year.

Fiji

Minister Will Not Tolerate Economic 'Sabotage'

BK1106104090 Hong Kong AFP in English 1028 GMT 11 Jun 90

[Text] Suva, June 11 (AFP)—The Fiji Government on Monday [11 June] warned it would take firm and strong action to protect the economy amid a growing dispute with sugar cane farmers who are angry at plans to reduce their proceeds.

Fiji's Employment and Industrial Relations Minister Taniela Veitata said in a statement that the interim government would not tolerate "sabotage of the national economy" and "destabilisation of the sugar industry."

His remarks came after the country's top unionist said that an international boycott could be imposed on vital sugar exports if the Fijian Army tried to break a planned strike of the forthcoming cane harvest. The strike was planned in response to the Fijian Sugar Corporation's plans to reduce proceeds to the farmers from 70 percent to 60 percent.

"When certain political trade unions agitate and foment political action under the guise of trade union action to destabilise Fiji and to destroy the remarkable economic progress the nation has made over the last two and a half years, the interim government must act in the economic national interest and that action will be firm and will be strong," Mr. Veitata said.

But he did not say what measures might be taken.

He also said the overseas boycott, if implemented, would constitute interference in Fiji's internal affairs.

Fiji Trades Union Congress (FTUC) Secretary General Mahendra Chaudhry told farmers Saturday in the western town of Ba that overseas unions could be asked to impose bans on Fiji sugar if the army brought in the harvest.

The farmers opposed to the planned reductions in proceeds are mainly ethnic Indians.

Sugar is Fiji's second largest export earner after tourism and is worth up to 200 million Fijian dollars (154.94 million U.S.) a year.

Army commander Major General Sitiveni Rabuka last month said troops would be sent to cut the sugar cane if ordered to do so by the interim government. In a separate statement, Mr. Veitata said the use of troops was still being considered as an action that would serve the national interest.

New Zealand

Government Sells Telecom for $2.46 Billion

BK1406030290 Hong Kong AFP in English 0237 GMT 14 Jun 90

[Text] Wellington, June 14 (AFP)—The New Zealand Government has sold Telecom, the country's telephone and telecommunications network, to a consortium led by Fay Richwhite Holdings Ltd for 4.25 billion New Zealand dollars (2.46 billion U.S.), Finance Minister David Caygill announced Thursday [14 June]. The consortium includes Freightways Holdings Ltd. and two United States telephone companies, Bell Atlantic and Ameritech. The deal was one billion New Zealand dollars (580 million U.S.) more than government advisers were expecting, State Owned Enterprises Minister Richard Prebble said.

Mr. Prebble told a press briefing that the new owners would make a public offering of Telecom shares here and overseas within a year, with 500 million New Zealand dollars (290 million U.S.) to be sold in New Zealand.

The sale of Telecom would have a dramatic effect on the level of public debt and the government's debt service payments, Mr. Prebble said. "This sale enables the government to repay more debt than all of our previous business sales put together," he said, referring to the government's privatisation policies. The proceeds of the Telecom sale were equivalent to 11.8 per cent of net public debt.

Although Mr. Caygill said all of Telecom was being sold, Mr. Prebble said the government would continue to own the "Kiwi share." "The consortium has given the government an assurance that they fully support the provisions of the Kiwi share," he said. The share provides that local free calling will remain available to residential customers, standard residential phone rentals will not rise higher than the cost of living, unless Telecom profits were "unreasonably affected," and line rentals in rural areas will not be higher than in the cities.

Mr. Prebble said the involvement of Bell Atlantic and Ameritech would offer major benefits to consumers. "These two companies are more efficient than any other U.S. telephone company in terms of customer access lines per employee, they have a good reputation for being customer orientated and they have extensive experience in introducing new services and new technologies," Mr. Prebble said. "Both companies are conservatively financed and are in the business of being long-term operators. I believe they are the best possible investors."

Papua New Guinea

Bougainville Talks Postponed Until 'Next Week'

BK1306120390 Hong Kong AFP in English 1155 GMT 13 Jun 90

[Text] Port Moresby, June 13 (AFP)—Peace talks between the Papua New Guinea [PNG] Government and leaders from the secessionist Bougainville Island have been postponed, Deputy Prime Minister Ted Diro said Wednesday [13 June].

Mr. Diro said in a statement that talks due to start Wednesday in the Solomon Islands capital Honiara, aimed at solving the crisis on Bougainville, had been postponed until next week.

A Papua New Guinea delegation led by Foreign Minister Michael Somare and Justice Minister Bernard Narakobi withdrew from the talks Tuesday after it became clear Bougainville Revolutionary Army (BRA) leaders Francis Ona and Sam Kauona would not attend. Port Moresby has emphasized the need for the two negotiating teams to be "properly matched."

An advance Papua New Guinea delegation has been in Honiara since the weekend preparing for the talks, but reports said there had been no sign of the BRA leaders. The AUSTRALIAN ASSOCIATED PRESS (AAP) quoted sources from Bougainville as saying it was highly unlikely the two BRA leaders would turn up for fear of arrest.

Officials here said Mr. Narakobi could still fly to Honiara by special charter Thursday as an "act of faith."

The talks are aimed at resolving the secessionist conflict launched by the BRA in November 1988, which claimed more than 80 lives before a cease-fire was announced in March on the rugged, jungle-clad island. The ruling BRA declared the copper-rich province independent four weeks ago—two months after PNG security forces were withdrawn from the island. But Port Moresby refused to accept the break-away and set up a blockade of the island, depriving it of all government services except essential medical supplies.

Meanwhile, officials said a Bougainville man was arrested Wednesday in Honiara and charged with illegal possession of live ammunition. Police were investigating any possible links between the man's activities and the proposed talks, they said.